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**NOTICE-CUM-ADDENDUM** 

NOTICE IS HEREBY GIVEN THAT, in accordance with SEBI Circular Nos. SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 06, 2017 and SEBI/HO/IMD/DF3/CIR/P/2017/126 dated December 4, 2017, ICICI Prudential Trust Limited (the Trustee), has approved change in certain features of the Schemes which results in change in fundamental attributes in the Schemes of ICICI Prudential Mutual Fund ("the Fund") with

effect from May 28, 2018 ("Effective Date"). Securities and Exchange Board of India has communicated its no-objection for the above changes vide its letter nos. IMD/DF3/OW/P/2018/

7267/1 dated March 08, 2018 and OW/P/2018/11750/1 dated April 17, 2018. The existing and revised features of the Schemes are mentioned below

## 1. ICICI Prudential Long Term Plan

**Asset Allocation** 

	Existing Provision	Revised/Proposed Provision	
Change in Name	ICICI Prudential Long Term Plan	ICICI Prudential All Seasons Bond Fund	
Type of Scheme	Open Ended Income Fund	An open ended dynamic debt scheme investing across duration.	
Investment	To generate income through investments in a range of debt	To generate income through investing in a range of debt	

view to maximising income while maintaining the optimum balance of yield, safety and liquidity

Under normal circumstances, the asset allocation under the

Type of Security			Risk Profile
Particulars	Maximum	Minimum	Low/ Medium/ High
Debt instruments*	100%	0%	Low to Medium
Money Market instruments & cash	50%	0%	Low to Medium

intention of the Investment Manager that such investments will not, normally, exceed 5% of the corpus of the Scheme.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured. rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

> The scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. An appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme will invest across duration.

maintaining the optimum balance of yield, safety and liquidity.

However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

Under normal circumstances, the asset allocation under the

Maximum

100%

Investment in Debt & Money Market instruments across the

Securitized debt up to 50% of the net assets of the

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of

In case of any variance from the above asset allocation, the

fund manager will carry out portfolio rebalancing within 30

Days. Further, in case the portfolio is not rebalanced within

the period of 30 days, justification for the same shall be placed

before the investment committee and reasons for the same

shall be recorded in writing. The investment committee shall

The securities mentioned in the asset allocation pattern could

be listed, unlisted, privately placed, secured or unsecured

rated or unrated and of any maturity. The securities may be

acquired through secondary market purchases, Initial Public

Offering (IPO), other public offers, Private Placement, right

offers (including renunciation) and negotiated deals.

Indicative allocation

(% of corpus) under

normal circumstances

Minimum

Risk

Profile

Low/

Medium

High

Low to

Investment

Scheme will be as follows

Type of Security

**Particulars** 

Debt & Money

Scheme

duration

Market instruments

The Scheme may also take exposure to

the net assets of the scheme.

then decide on the course of action.

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same. Further, the Scheme may invest in other schemes managed

by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity with the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme erent to such derivat in securitized debt

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees.

#### Investment Strategies

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

The AMC will also be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same. The AMC will attempt to achieve adequate diversification of the portfolio by investing in approximately 10-15 securities for the first ₹ 100 crores of the corpus of the

Subject to the limits indicated above, the Fund may invest a part of the portfolio in securities issued and guaranteed by State and Central Governments. The Fund may also invest in Securities of issuers supported by Government of India or State Governments subject to such securities satisfying the criteria relating to rating etc.

Given that the liquidity of certain fixed income instruments could be limited, the AMC will try to provide liquidity by staggering maturities for various instruments, as well as holding a sufficient portion of the portfolio in more liquid government and corporate paper as well as money market securities.

Under normal circumstances 40% - 60% of portfolio may be considered to be invested in illiquid securities. Should there be a need to liquidate part or all of these securities in a very short duration of time, the AMC may not be able to realize

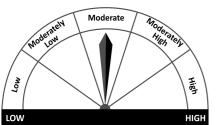
the full value of these securities Consequently the NAV of the Scheme may be impacted.

The Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC.

This product is suitable for investors who are seeking\*: · Medium term savings solution

A debt fund that invests in debt and money market instruments with a view to maximise income while maintaining optimum balance of yield, safety and liquidity.

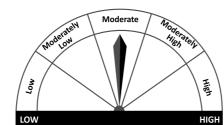


Investors understand that their principal will be at moderate risk

This product is suitable for investors who are seeking\*:

All duration savings

A debt scheme that invests in debt and money market instruments with a view to maximise income while maintaining optimum balance of yield, safety and liquidity.



Investors understand that their principal will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

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investment objective of the Scheme would be achieved

Product labeling

and Risk-o-meter

. ICICI Prudentia	CICI Prudential Income Opportunities Fund			
	Existing Provision	Revised/Proposed Provision		
Change in Name	ICICI Prudential Income Opportunities Fund	ICICI Prudential Bond Fund		
Type of Scheme	Open ended Income Fund	An open ended medium to long term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 Years and 7 Years (please refer to investment strategy).		
		The Macaulay duration of the portfolio is 1 Year to 7 years under anticipated adverse situation.		
Investment Objective	To generate income through investments in a range of debt and money market instruments of various credit ratings and maturities with a view to maximizing income while maintaining an optimum balance of yield, safety and liquidity.	To generate income through investments in a range of debt and money market instruments while maintaining the optimum balance of yield, safety and liquidity.		
	an optimizin balance of yield, safety and liquidity.	However, there can be no assurance or guarantee that the		

## 2. ICICI Prudential Income Opportunities Fund (contd.)

#### Under normal circumstances, the asset allocation under the Asset Allocation Scheme will be as follows:

Type of Security	Indicative (% of corp normal circ	Risk Profile	
Particulars	Maximum	Minimum	Low/ Medium/ High
Money Market instruments with residual maturity of less than 1 year	100%	10%	Low to Medium
Debt instruments* with maturity more than 1 year	90%	0%	Low to Medium

**Existing Provision** 

securities will be in normal circumstances limited to 50% of the net assets of the Plan

\* Including securitised debt of up to 50% of the net assets and derivatives instruments to the extent of 50% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of the net assets of the scheme

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals

The AMC will follow a disciplined investment process to meet

Scheme specific investment objectives. It will aim to develop

a well-diversified, quality portfolio that minimises liquidity risk

and credit risk. The scheme shall construct the portfolio to

ensure that obligations to investors are met on time under

The scheme aims to identify securities which offer optima level of yields/returns, considering risk-reward ratio. Ar appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme will invest in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 4 years and 7

The Macaulay duration is the weighted average term to

maturity of the cash flows from a bond. The weight of each

cash flow is determined by dividing the present value of the

The fund manager may, in the interest of investors, in case

of anticipated adverse situation reduce the portfolio duration

of the scheme up to a duration of 1 year. In such cases, the

AMC shall record and maintain the reasons for the same.

The reasons shall be placed before the Trustees in the

With the aim of controlling risks, rigorous in depth credit

evaluation of the securities proposed to be invested in will

be carried out by the Risk Management team of the AMC.

The credit evaluation includes a study of the operating

environment of the company, the past track record as well

as the future prospects of the issuer, the short as well as

The AMC may consider the ratings of such Rating Agencies

as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will

study the macro economic conditions, including the political

economic environment and factors affecting liquidity and

interest rates. The AMC would use this analysis to attempt

to predict the likely direction of interest rates and position

Further, the Scheme may invest in other schemes managed

by the AMC or in the Schemes of any other Mutual Funds,

provided it is in conformity with the prevailing Regulations.

As per the Regulations, no investment management fees

The Scheme may use derivative instruments like Interest

Rate Swaps, Interest Rate Futures, Forward Rate

Agreements or other derivative instruments for the purpose

of hedging, portfolio balancing and other purposes, as

permitted under the Regulations. Hedging using Interest Rate

Futures could be perfect or imperfect, subject to applicable

regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest

For the present, the Scheme does not intend to enter into

underwriting obligations. However, if the Scheme does enter

into an underwriting agreement, it would do so with the prior

approval of the Board of the AMC/Trustees.

the portfolio appropriately to take advantage of the same

cash flow by the price.

subsequent Trustee meeting.

longer-term financial health of the issuer

will be charged for such investments.

in securitized debt.

Revised/Proposed Provision

Under all circumstances (normal as well as adverse), the

50%

100%

Securitized debt up to 50% of the net assets of the

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of

The Macaulay duration of the portfolio of the Scheme would

be between 4 years and 7 years under normal circumstances

The Macaulay duration of the portfolio of the Scheme would

be between 1 year and 7 years under adverse circumstances.

In case of any variance from the above asset allocation, the

fund manager will carry out portfolio rebalancing within 30

Days. Further, in case the portfolio is not rebalanced within

the period of 30 days, justification for the same shall be placed

before the investment committee and reasons for the same

shall be recorded in writing. The investment committee shall

The securities mentioned in the asset allocation pattern could

be listed, unlisted, privately placed, secured or unsecured

rated or unrated and of any maturity. The securities may be

acquired through secondary market purchases, Initial Public

Offering (IPO), other public offers, Private Placement, right

offers (including renunciation) and negotiated deals.

The Scheme may also take exposure to:

Indicative allocation

(% of corpus) in all

circumstances

Maximum Minimum

0%

50%

Risk

Profile

Low/ High

Low to Medium

Low to Medium

asset allocation under the Scheme will be as follows

Type of Security

**Particulars** 

Money market

**Debt Instruments** 

the net assets of the scheme

then decide on the course of action.

The Fund Manager may alter the asset allocation of the scheme depending on the prevailing interest rate scenario. When the interest rates are expected to rise, the Fund

Manager may seek to increase the exposure to money market instruments with less than 1 year residual maturity in order to reduce the price risk. When the interest rates are expected to fall, the Fund Manager may seek to increase the exposure to debt instruments with more than 1 year residual maturity in order to benefit from the rise in prices of the underlying securities.

The Fund Manager seeks to enhance the portfolio yields by moving across the credit curve, by investing in investment grade debt instruments with a mix of credit rating, across the credit curve so as to generate relatively higher returns.

Among other debt instruments, the Scheme envisages to invest in securitized instruments like Loan PTCs (Pass Through Certificates), which are backed by assets, future receivables and third party guarantees. The analyst shall conduct an in-depth credit analysis of such securities before recommending them for investments

The analysis is based on a strategic framework for credit analysis, which broadly divides the task into two categories: business risk and financial risk. The prime objective is to evaluate a borrower's ability and willingness to repay the debt on time. In order to assess business risk, the factors that are considered include outlook for the economy (Domestic & Global), outlook for the Industry and company

The internal rating determined by the analyst through the credit process may or may not agree with the rating opinion given by the external agency. The difference in fund manager's opinion, if found compelling, is captured to

## Investment Process

all circumstances.

The Investment process would be intensely research oriented. It would comprise of qualitative as well as quantitative measures.

Macro economic call on interest rate direction would be taken by doing detailed analysis of various influencing factors like Inflation, Money supply, Private sector borrowing, Government borrowing. Currency market movement. Central Bank policy, Local fiscal and monetary policy, Global interest rate scenario and Market sentiment.

Credit research would be conducted on a regular basis for corporate having high investment grade (AA-/A1+ and above) rating. Credit research includes internal analysis of financial reports as well as rating rationale and other inputs from external agencies

Internal credit rating is a pre-requisite for all our investments. Credit research would be conducted to minimize credit migration risk and for generating relative value trade ideas. Stable to higher rating on maturity vis-à-vis issuance is the guiding factor for investment decisions.

Asset allocation is determined based on holding period return analysis of spread movement across different asset class. This product is suitable for investors who are seeking\*:

optimum balance of yield, safety and liquidity.

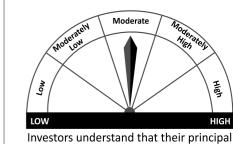
A debt fund that invests in debt and money market

instruments of various credit ratings and maturities with a view to maximizing income while maintaining an

Long term savings solution

This product is suitable for investors who are seeking\*: Medium to Long term savings

A debt scheme that invests in debt and money market instruments with an aim to maximise income while maintaining an optimum balance of yield, safety and



will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Investors understand that their principal

will be at moderate risk

of debt and money market instruments of very short maturities

with a view to providing reasonable returns, while maintaining

an optimum balance of safety, liquidity and yield.

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

and above rated corporate bonds while maintaining the

However, there can be no assurance or guarantee that the

optimum balance of yield, safety and liquidity.

# 3. ICICI Prudential Ultra Short Term Plan

Product labeling

and Risk-o-meter

Objective

	Existing Provision	Revised/Proposed Provision
Change in Name	ICICI Prudential Ultra Short Term Plan	ICICI Prudential Corporate Bond Fund
Type of Scheme	Open Ended Income Fund	An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds.
Investment	To gonorate regular income through investments in a backet	To gonorate income through investing prodominantly in AA

investment objective of the Scheme would be achieved.



Asset Allocation

# ICICI Prudential Asset Management Company Limited

Corporate Identity Number: U99999DL1993PLC054135

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051. Tel: +91 22 2652 5000, Fax: +91 22 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400063. Tel: 022 2685 2000 Fax: 022 26868313

# NOTICE-CUM-ADDENDUM

## 3. ICICI Prudential Ultra Short Term Plan (contd.)

	Under normal circumst Scheme will be as follo		set allocation	n under the		Under normal circumsta Scheme will be as follo	,	set allocation	n under the
	Type of Security	Indicative (% of corp normal circ	us) under	Risk Profile		Type of Security	Indicative (% of corp normal circ	us) under	Risk Profile
	Particulars	Maximum	Minimum	Low/ Medium/ High		Particulars	Maximum	Minimum	Low/ Medium/ High
	Money Market Instruments	100%	20%	Low to Medium		Debt & Money Market Instruments	100%	0%	Low to Medium
	Debt Instruments*	80%	0%	Low to Medium		The Scheme shall hav AA+ (or equivalent ration	ngs) and abo	ve credit rati	ing at least
3	Including securitised	debt of up to	50% of the r	ortfolio	1	to the extent of 80% of	the corpus o	f the Scheme	э.

**Existing Provision** 

Including securitised debt of up to 50% of the portfolio

The asset allocation pattern may be modified in the interest of investors; however, the same will be reviewed by the Fund Manager from time to time and will be rebalanced to its normal position in a time frame as permitted by the trustee. However the AMC will endeavour to achieve a normal asset allocation pattern in a maximum period of 6 months.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

## Investment Strategies

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. Liquidity will also be an important criterion for investment decisions. As a result, a reasonable proportion of the scheme's investments will be made in relatively liquid investments. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer. The AMC will also be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies.

In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

The scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. The scheme will have minimum investment of 80% of total assets in AA+ and above rated corporate bonds. Balance amount will be invested in other debt and money market instruments. An appropriate mix of debt securities and money market instruments will be used. Money Market securities include cash and cash equivalents. With the aim of controlling risks, rigorous in depth credit

Revised/Proposed Provision

Securitized debt up to 50% of the net assets of the

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of

In the event of variance in the asset allocation, the fund

manager will carry out portfolio rebalancing within 60 Days.

Further, in case the portfolio is not rebalanced within the

period of 60 days, justification for the same shall be placed before the investment committee and reasons for the same

shall be recorded in writing. The investment committee shall

The securities mentioned in the asset allocation pattern could

be listed, unlisted, privately placed, secured or unsecured,

rated or unrated and of any maturity. The securities may be

acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right

offers (including renunciation) and negotiated deals.

Scheme

The Scheme may also take exposure to

the net assets of the scheme.

then decide on the course of action.

evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer. The AMC may consider the ratings of such Rating Agencies

as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds. provided it is in conformity with the prevailing Regulations As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest in securitized debt

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees

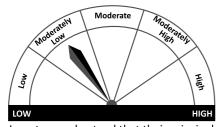
#### CRISIL Short Term Bond Fund Index Benchmark

## Product labeling

This product is suitable for investors who are seeking'

Short term savings solution

A debt fund that aims to generate regular income by investing in debt and money market instruments of very short maturities



Investors understand that their principal

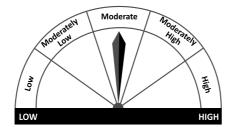
will be at moderately low risk \*Investors should consult their financial advisers if in doubt

about whether the product is suitable for them.

CRISIL Medium Term Corporate Bond Index This product is suitable for investors who are seeking\*

Short term savings

An open ended debt scheme predominantly investing in highest rated corporate bonds



Investors understand that their principal will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

## 4. ICICI Prudential Constant Maturity Gilt Fund

	Existing Provision	Hevised/Proposed Provision
Type of Scheme	Open Ended Income Fund	An open ended debt scheme investing in government securities having a constant maturity of 10 Years
Investment Objective	The Scheme aims to provide reasonable returns by investing in portfolio of Government Securities with average maturity of around 10 years.	To generate income primarily by investing in portfolio of Government Securities while maintaining Macaulay duration of the portfolio around 10 years.
	However, there can be no assurance that the investment objective of the Scheme will be realized.	However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

## Asset Allocation

objective of the Scheme will be realized.				
Type of Security	Indicative (% of corp normal circ	Risk Profile		
Particulars	Maximum	Minimum	Low/ Medium/ High	
Government Securities	100%	95%	Low to Medium	
CBLO, reverse repo in Government Securities, Cash and	5%	0%	Low to Medium	

Cash Equivalent Investment in Derivatives up to 50% of the net assets

The Scheme will not invest in securitized debt

The cumulative gross exposure shall not exceed 100% of the net assets of the Scheme in terms of SEBI circular dated August 18, 2010.

The fund manager will maintain an average maturity of the Scheme close to 10 years. The normal range of average maturity for the Scheme would be between 9 and 11 years The residual maturity of the securities shall range between

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergoes changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured,

#### Type of Security Indicative allocation (% of corpus) under normal circumstances **Particulars** Maximum Minimum Low/ High 100% 80% Government Low to Medium Other debt and 20% 0% Low to money market Medium instruments

Government Securities include securities issued by central government and state government (including Treasury Bills) The Scheme may also take exposure to:

- Securitized debt up to 20% of the net assets of the
- Derivatives up to 100% of the net assets of the Scheme The cumulative gross exposure shall not exceed 100% of the net assets of the Scheme in terms of SEBI circular dated August 18, 2010.

The Macaulay duration of the portfolio of the Scheme would be around 10 years.

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be

	Existing Provision	Revised/Proposed Provision
	rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.	acquired through secondary market purchases, Initial Publi Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.
nvestment Strategies	The Scheme aims to provide reasonable returns, commensurate with its maturity profile, by maintaining an optimum balance of safety, liquidity and yield, through investments in government securities.  The fund manager will maintain an average maturity of the Scheme close to 10 years. The normal range of average maturity for the Scheme would be between 9 and 11 years. The residual maturity of the securities shall range between 8 to 12 years.  In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.  The Scheme could invest in fixed income securities issued by government and quasi government entities in line with the investment objectives of the Scheme and as permitted by SEBI from time to time.	The scheme will have a minimum investment of 80% of the total assets in Government securities. The scheme will invewith an aim to maintain average maturity of the portfolio clos to 10 years. The scheme can have 0-20% of the total asset invested in other debt securities and money market securitie Money Market securities include cash and cash equivalent. The Macaulay duration is the weighted average term maturity of the cash flows from a bond. The weight of eac cash flow is determined by dividing the present value of the cash flow by the price.  The Scheme could invest in fixed income securities issue by central and state government in line with the investmen objectives of the Scheme and as permitted by SEBI froitime to time.  With the aim of controlling risks, rigorous in depth crecevaluation of the debt and money market securities propose to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study the operating environment of the company, the past tracerord as well as the future prospects of the issuer, the shoas well as longer-term financial health of the issuer.  The AMC may consider the ratings of such Rating Agencie as approved by SEBI to carry out the functioning of ratin agencies. In addition, the investment team of the AMC with the macro economic conditions, including the political economic environment and factors affecting liquidity an interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and positic the portfolio appropriately to take advantage of the same. Further, the Scheme may invest in other schemes manage by the AMC or in the Schemes of any other Mutual Fund. As per the Regulations, no investment management fee will be charged for such investments.  The Scheme may use derivative instruments like Interer Rate Swaps, Interest Rate Futures, Forward Rat Agreements or other derivative instruments for the purpos of hedging, portfolio balancing and other purposes, a permitted under the Regulat
Product labeling and Risk-o-meter	This product is suitable for investors who are seeking*:  • Long term wealth creation solution	This product is suitable for investors who are seeking*:  • Long term wealth creation
	A gilt fund that aims to provide reasonable returns by maintaining an average maturity close to 10 years.	A gilt fund that aims to provide reasonable returns that having a constant maturity of 10 years.
	Moderate Mod	Moderate Mod

## 5. ICICI Prudential Regular Savings Fund

	Existing Provision	Revised/Proposed Provision
Change in Name	ICICI Prudential Regular Savings Fund	ICICI Prudential Credit Risk Fund
Type of Scheme	Open Ended Income Fund	An open ended debt scheme predominantly investing in AA and below rated corporate bonds.
Investment Objective	It intends to provide reasonable returns, by maintaining an optimum balance of safety, liquidity and yield, through investments in a basket of debt and money market instruments with a view to delivering consistent performance.	To generate income through investing predominantly in AA and below rated corporate bonds while maintaining the optimum balance of yield, safety and liquidity.

## **Asset Allocation**

Risk factors

associated with

Under normal circumstances, the asset allocation under the

Investors understand that their principal

will be at moderate risk

\*Investors should consult their financial advisers if in doubt

about whether the product is suitable for them

Type of Security	Approximate Allocation (% of Corpus)	Risk Profile
Particulars		Low/ Medium/ High
Debt \$* securities (including government securities) with maturity more than 1 year	0 - 100%	Low to Medium
Money Market Securities	0 - 100%	Low to Medium
Units issued by REITs & InvITs	0 - 10%	Medium to High

\$Including securitised debt (Single loan and/or Pool loan Securitized debt) of up to 50% of the portfolio

Including derivatives instruments to the extent of 50% of the Net Assets as permitted by SEBI. The margin money requirement for the purpose of derivative exposure will be as per the SEBI Regulations. The Scheme shall not take leverage positions and total investments, including investments in debt and other securities and gross exposure to derivatives, if any, shall not exceed net assets under management of the scheme.

The scheme will not invest in any foreign securities

The asset allocation pattern may be modified in the interest of investors; however, the same will be reviewed by the Fund Manager from time to time and will be rebalanced to its normal position in a time frame as permitted by the trustee. Any change in the investment pattern may be for a period of one month and for defensive considerations considering that Debt markets in India lack the depth and breadth which exists in the equity markets. Bulk of the deals in the corporate bond market in India are still conducted over telephone and are entered on principal-to-principal basis. Liquidity in the bonds is also very low, leading to larger spreads and sometimes securities not being available for purchase or no buyers for a security being sold.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme.

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them. Please refer to notes for Risk factors

Investors understand that their principal

will be at moderate risk

investment objective of the Scheme would be achieved. Under normal circumstances, the asset allocation under the

Scheme will be as follows:

Type of Security	Approximate Allocation (% of Corpus)	Risk Profile
Particulars		Low/ Medium/ High
Debt & Money market instruments	0% - 100%	Low to Medium
Units issued by REITs & InvITs	0% - 10%	Medium to High

AA (or equivalent rating) and below credit rating at least to the extent of 65% of the corpus of the Scheme

The Scheme may also take exposure to:

Securitized debt (Single loan and/or Pool loan Securitized debt) of up to 50% of the net assets of the Scheme.

Derivatives up to 100% of the net assets of the Scheme The margin money requirement for the purpose of derivative exposure will be as per the SEBI Regulations. The Scheme shall not take leverage positions and total investments, including investments in debt and other securities and gross exposure to derivatives, if any, shall not exceed net assets under management of the scheme.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme.

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 60 Days. Further, in case the portfolio is not rebalanced within the period of 60 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.



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## **NOTICE-CUM-ADDENDUM**

Revised/Proposed Provision

The scheme aims to identify securities which offer optimal

level of yields/returns, considering risk-reward ratio. An

appropriate mix of debt market securities and money market

securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme

will have minimum investment of 65% of total assets in

corporate bonds rated AA and below. Balance amount will

With the aim of controlling risks, rigorous in depth credit

evaluation of the securities proposed to be invested in will

be carried out by the Risk Management team of the AMC.

The credit evaluation includes a study of the operating

environment of the company, the past track record as well

as the future prospects of the issuer, the short as well as

The AMC may consider the ratings of such Rating Agencies

as approved by SEBI to carry out the functioning of rating

agencies. In addition, the investment team of the AMC will

study the macro economic conditions, including the political,

economic environment and factors affecting liquidity and

interest rates. The AMC would use this analysis to attempt

to predict the likely direction of interest rates and position

Further, the Scheme may invest in other schemes managed

by the AMC or in the Schemes of any other Mutual Funds,

ovided it is in conformity with the prevailing Regulations

As per the Regulations, no investment management fees

The Scheme may use derivative instruments like Interest

Rate Swaps, Interest Rate Futures, Forward Rate

Agreements or other derivative instruments for the purpose

of hedging, portfolio balancing and other purposes, as

permitted under the Regulations. Hedging using Interest Rate

Futures could be perfect or imperfect, subject to applicable

regulations. Usage of derivatives may expose the Scheme

to certain risks inherent to such derivatives. It may also invest

The scheme may also invest in Units issued by REITs

For the present, the Scheme does not intend to enter into

underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior

A debt scheme that aims to generate income through investing predominantly in AA and below rated corporate

bonds while maintaining the optimum balance of yield,

Investors understand that their principal

will be at moderate risk

\*Investors should consult their financial advisers if in doubt

about whether the product is suitable for the

High

HIGH

This product is suitable for investors who are seeking\*:

approval of the Board of the AMC/Trustees

the portfolio appropriately to take advantage of the same.

longer-term financial health of the issuer.

will be charged for such investments.

in securitized debt

safety and liquidity

be invested in other debt and money market instruments.

## 5. ICICI Prudential Regular Savings Fund (contd.)

#### Investment The AMC aims to identify securities, which offer superior Strategies levels of yield at lower levels of risks. The fund will aim to generate total returns in the form of accrual income or interest income as well as through capital appreciation from buying and selling securities. Exposure to government securities is expected to be limited in order to limit volatility.

The fund investment strategy would focus on managing longterm investor monies with a view to providing superior levels

**Existing Provision** 

of yield at lower levels of risks. The fund would cap investment per investor in its endeavor to ensure larger retail participation. This would limit large inflows and outflows in the fund there-by maintaining a stable asset size and giving stability to the fund performance. Large inflows and outflows generally impact the fund performance as the fund manager's efforts are diverted towards daily cash-flow management. The fund would also have longer period exit loads as compared to conventional debt funds. The exit loads would ensure investors invest with a slightly longer investment horizon which would enable the fund manager to invest in longer maturity, high yielding and relatively less liquid securities. The fund would maintain an optimum balance between liquid and relatively less liquid securities. The Fund intends to optimise returns by keeping its portfolio average maturity approximately 3 years. This average maturity profile is subject to change in response to the change in the market conditions

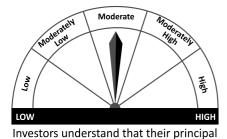
With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer. The AMC will also be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies.

In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

# Product labeling

This product is suitable for investors who are seeking\* · Medium term savings solution

A debt fund that aims to deliver consistent performance by investing in a basket of debt and money market instruments with a view to provide reasonable returns while maintaining optimum balance of safety, liquidity and yeild



will be at moderate risk \*Investors should consult their financial advisers if in doubt

about whether the product is suitable for them

6. ICICI Prudential Savings Fund (contd.)

**Existing Provision** Revised/Proposed Provision Some of the Investments under the Scheme would also be made in securities with a maturity of slightly above 1 Year as well as in the portfolio. The cumulative gross exposure should not exceed 100% of the net assets of the scheme It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day. The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public

#### Investment Strategies

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

The AMC will also be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same. The AMC will attempt to achieve adequate diversification of the portfolio by investing in approximately 10-15 securities for the first ₹ 100 crores of the corpus of the

Subject to the limits indicated above, the Fund may invest a part of the portfolio in securities issued and guaranteed by State and Central Governments. The Fund may also invest in Securities of issuers supported by Government of India or State Governments subject to such securities satisfying the criteria relating to rating etc.

Given that the liquidity of certain fixed income instruments could be limited, the AMC will try to provide liquidity by staggering maturities for various instruments, as well as holding a sufficient portion of the portfolio in more liquid government and corporate paper as well as money market

Under normal circumstances 40 - 60% of portfolio may be considered to be invested in illiquid securities. Should there be a need to liquidate part or all of these securities in a very short duration of time, the AMC may not be able to realize

Consequently the NAV of the Scheme may be impacted.

The Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC.

The scheme aims to invest predominantly in floating rate instruments, which includes instruments where returns are linked to a floating rate benchmark or fixed rate instruments converted to floating rate exposures using swaps/derivatives. Minimum investment in floating rate instruments would be 65% of the total assets. The scheme can have 0% - 35% of the total assets invested in fixed rate securities including money market securities, government securities and other debt securities in the portfolio. Money Market securities include cash and cash equivalents.

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds. provided it is in conformity with the prevailing Regulations As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest in securitized debt.

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees

## 6. ICICI Prudential Savings Fund

	Existing Provision	Revised/Proposed Provision
Change in Name	ICICI Prudential Savings Fund	ICICI Prudential Floating Interest Fund
Type of Scheme	Open Ended Income Fund	An open ended debt scheme predominantly investing in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps/derivatives).
Investment	To generate income through investments in a range of debt	To generate income through investing predominantly in

Low/

High

**Particulars** 

Floating Rate Debt

Asset Allocation

Objective

and money market instruments of various maturities with a view to maximizing income while maintaining the optimum Type of Security Indicative allocation Risk

(% of corpus) unde

normal circumstances

Maximum Minimum

floating rate instruments while maintaining the optimum balance of yield, safety and liquidity.

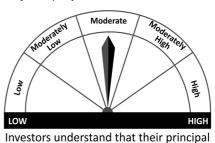
However, there can be no assurance or quarantee that the investment objective of the Scheme would be achieved

## **Benchmark** Product labeling

CRISIL Liquid Fund Index

This product is suitable for investors who are seeking\*: Short term savings solution

A debt fund that invests in debt and money market instruments of various maturities with an aim to maximise income while maintaining an optimum balance of yield safety and liquidity



will be at moderate risk \*Investors should consult their financial advisers if in doubt

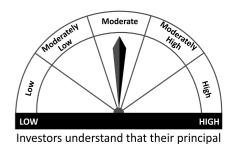
**Existing Provision** 

about whether the product is suitable for them.

CRISIL Ultra Short Term Debt Index

This product is suitable for investors who are seeking\*: Short term savings

An open ended debt scheme predominantly investing in floating rate instruments.



will be at moderate risk \*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

#### Money market 100% 40% Low to Medium instruments

(MIBOR linked debentures. floating rate CPs. CDs, floating rate honds less than 182 days or any other instrument permitted by RBI/SEBI) Non-Money market instruments (including floating rate bonds & debentures issued by corporates or PSUs, floating rate ailts, fixed rate

debentures/bonds with swap or any other instrument permitted by RBI/SEBI) Fixed Rate Debt

Instruments Money market 60% 0% Low to Medium instruments (including CPs, CDs, treasury bills, gilts less than 1 year, Repos/Reverse Repos or any other instrument

RBI/SEBI) Non-Money market instruments (including bonds issued by corpo or PSUs, gilts securitised debt, fixed deposits or any other instrument

permitted by

RBI/SEBI) The Scheme may invest up to 35% in securitised debt The Scheme may invest up to 50% in derivatives instruments. Floating rate debt instruments include fixed rate instruments swapped for floating rate returns

#### Type of Security Indicative allocation (% of corpus) under normal circumstances **Particulars** Maximum Minimum Low/ High Floating Rate 100% 65% Low to Medium 35% Debt and money 0% Low to market instruments Medium other than floating rate instruments

The floating rate instruments includes either instruments where the returns are linked to a floating rate benchmark or fixed rate instruments converted to floating rate exposures

The Scheme may also take exposure to

· Securitized debt up to 35% of the net assets of the

 Derivatives up to 100% of the net assets of the Scheme The cumulative gross exposure shall not exceed 100% of the net assets of the Scheme

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 60 Days. Further, in case the portfolio is not rebalanced within the period of 60 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

## 7. ICICI Prudential Liquid Plan

Change in Name	ICICI Prudential Liquid Plan
Type of Scheme	Open Ended Liquid Income Scheme
Investment Objective	To provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in money market and debt securities.

**Asset Allocation** Under normal circumstances, the asset allocation under the Scheme will be as follows:

Indicative allocation (% of corpus) under Profile normal circumstances **Particulars** Maximum Minimum Money Market 100% 80% Low to Instruments Medium Debt Instruments 20% Low to Medium

\* If the Scheme decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 5% of the corpus of the Scheme. Note - In terms of SEBI circular dated January 19, 2009, ICICI Prudential Liquid Plan shall make investments in/ purchase debt and money market securities with maturity of up to 91 days only.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme.

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals

An open ended liquid scheme The Scheme aims to provide reasonable returns commensurate with low risk and providing a high level of

liquidity, through investments made primarily in money market

ICICI Prudential Liquid Fund

and debt instruments.

**Debt Instruments** 

Revised/Proposed Provision

However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

Scheme will be as fol	,	oct anocation	Turider tire
Type of Security	Indicative (% of corp normal circ	us) under	Risk Profile
Particulars	Maximum	Minimum	
Money Market Instruments	100%	70%	Low to Medium

Note - In terms of SEBI circular dated January 19, 2009 ICICI Prudential Liquid Fund shall make investments in/ purchase debt and money market securities with maturity of

The Scheme may also take exposure to:

Securitized debt up to 50% of the net assets of the

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of the net assets of the scheme In case of any variance from the above asset allocation, the

fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals

Low to



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## **NOTICE-CUM-ADDENDUM**

This product is suitable for investors who are seeking\*

low risk and providing a high level of liquidity

A liquid fund that aims to provide reasonable returns commensurate with

Short term savings solution

Investment

Strategies

	Ex	isting Provis	ion		Revised/Proposed Provision				
Change in Name	ICICI Prudential Incon	ne Plan		ICICI Prudential Long Term Bond Fund					
Type of Scheme	Open ended Income Fund				An open ended debt scheme investing in instruments such that the Macaulay duration of the portfolio is greater than Years (please refer to investment strategy)				
Investment Objective	To generate income through investments in a range of debt and money market instruments of various maturities with a view to maximising income while maintaining the optimum balance of yield, safety and liquidity.			and money market instruments while maintaining the					
Asset Allocation	Under normal circums Scheme will be as foll		set allocation	et allocation under the Under normal circumstances, the asset allocation u Scheme will be as follows:				n under	
	Type of Security		allocation ous) under cumstances	Profile     '		Type of Security Indicative allocation (% of corpus) under normal circumstance		Risk Profile	
	Particulars	Maximum	Minimum		Particulars	Maximum	Minimum		
	Money Market Instruments	25%	0%	Low to Medium	Money market instruments	50%	0%	Low to Mediu	
	Debt Instruments*	100%	75%	Low to Medium	Debt Instruments	100%	50%	Low to	

will not, normally, exceed 5% of the corpus of the Scheme. The cumulative gross exposure should not exceed 100% of It may be noted that no prior intimation/indication would be

given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

The AMC aims to identify securities, which offer superior

levels of yield at lower levels of risks. With the aim of

controlling risks, rigorous in depth credit evaluation of the

securities proposed to be invested in will be carried out by

the Risk team of the AMC. The credit evaluation includes a

study of the operating environment of the company, the past

track record as well as the future prospects of the issuer, the

The AMC will also be guided by the ratings of such Rating

Agencies as approved by SEBI to carry out the functioning

of Rating agencies. In addition, the investment team of the

AMC will study the macro economic conditions, including

the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis

to attempt to predict the likely direction of interest rates and

position the portfolio appropriately to take advantage of the

same. The AMC will attempt to achieve adequate

diversification of the portfolio by investing in approximately

10-15 securities for the first ₹ 100 crores of the corpus of the

Subject to the limits indicated above, the Fund may invest a

part of the portfolio in securities issued and guaranteed by State and Central Governments. The Fund may also invest

in Securities of issuers supported by Government of India or

State Governments subject to such securities satisfying the

Given that the liquidity of certain fixed income instruments could be limited, the AMC will try to provide liquidity by

staggering maturities for various instruments, as well as

holding a sufficient portion of the portfolio in more liquid

government and corporate paper as well as money market

criteria relating to rating etc.

short as well as longer-term financial health of the issuer.

The scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. An appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme will invest in Debt & Money Market Instruments such that the Macaulay duration of the portfolio is greater than 7 years.

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of

The Macaulay duration of the portfolio of the Scheme would

In case of any variance from the above asset allocation, the

fund manager will carry out portfolio rebalancing within 30

Days. Further, in case the portfolio is not rebalanced within

the period of 30 days, justification for the same shall be placed

before the investment committee and reasons for the same

shall be recorded in writing. The investment committee shall

The securities mentioned in the asset allocation pattern could

be listed, unlisted, privately placed, secured or unsecured,

rated or unrated and of any maturity. The securities may be

acquired through secondary market purchases, Initial Public

Offering (IPO), other public offers, Private Placement, right

offers (including renunciation) and negotiated deals.

be greater than 7 years.

then decide on the course of action.

Riskometer

Investors understand that their principal

will be at low risk

The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as wel as the future prospects of the issuer, the short as well as longer-term financial health of the issuer

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, ovided it is in conformity with the prevailing Regulations As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Under normal circumstances 40 - 60% of portfolio may be considered to be invested in illiquid securities. Should there Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose be a need to liquidate part or all of these securities in a very short duration of time, the AMC may not be able to realize of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate the full value of these securities Futures could be perfect or imperfect, subject to applicable

## 8. ICICI Prudential Income Plan

	Existing Provision	Revised/Proposed Provision
Investment Strategies	Consequently the NAV of the Scheme may be impacted. The Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.  For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC.	regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives.  It may also invest in securitized debt.  For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees.
Product labeling and Riskometer	This product is suitable for investors who are seeking*:  Long term wealth creation solution  A debt fund that invests in debt and money market instruments of various maturities with a view to maximise income while maintaining optimum balance of yield, safety and liquidity.	This product is suitable for investors who are seeking*:  Long term wealth creation  A debt scheme that invests in debt and money market instruments with an aim to maximise income while maintaining an optimum balance of yield, safety and liquidity.
	LOW HIGH Investors understand that their principal will be at moderate risk	Investors understand that their principal will be at moderate risk
	*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.	*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
9. ICICI Prudential	Corporate Bond Fund	
	Existing Provision	Revised/Proposed Provision

	Existing Provision	Revised/Proposed Provision
Change in Name	ICICI Prudential Corporate Bond Fund	ICICI Prudential Medium Term Bond Fund
Type of Scheme	Open ended Income Fund	An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years (please refer to investment strategy)
		The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation.
Investment	To generate income through investments in a range of debt	To generate income through investments in a range of debt

# Objective

**Asset Allocation** 

view to maximizing income while maintaining the optimum balance of yield, safety and liquidity. Under normal circumstances, the asset allocation under the

and money market instruments of various maturities with a

Scheme will be as follows: Type of Security Indicative allocation (% of corpus) under normal circumstances **Particulars** Maximum Minimum Debt Instruments 100% 0% I ow to Medium Medium instruments

Includes Securitised Debt, not to normally exceed 50% of corpus of the scheme

The asset allocation pattern may be modified in the interest of investors; however, the same will be reviewed by the Fund Manager from time to time and will be rebalanced to its normal position in a time frame as permitted by the trustee. However the AMC will endeavour to achieve a normal asset allocation pattern in a maximum period of 6 months.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme.

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

#### shall be recorded in writing. The investment committee shall then decide on the course of action The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases. Initial Public Offering (IPO), other public offers, Private Placement, right

offers (including renunciation) and negotiated deals.

and money market instruments while maintaining the

However, there can be no assurance or quarantee that the

100%

50%

Securitized debt up to 50% of the net assets of the

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of

The Macaulay duration of the portfolio of the Scheme would

be between 3 years and 4 years under normal circumstances

The Macaulay duration of the portfolio of the Scheme would

be between 1 year and 4 years under adverse circumstances.

In the event of variance in the asset allocation, the fund

manager will carry out portfolio rebalancing within 30 Days.

Further, in case the portfolio is not rebalanced within the

period of 30 days, justification for the same shall be placed

before the investment committee and reasons for the same

The Scheme may also take exposure to:

the net assets of the scheme.

Indicative allocation

(% of corpus) in

all circumstances

Maximum Minimum

40%

Profile

Low to

Medium

Low to

Medium Medium

investment objective of the Scheme would be achieved Under all circumstances (normal as well as adverse), the

asset allocation under the Scheme will be as follows

optimum balance of yield, safety and liquidity.

Type of Security

Debt Instruments

Money market

instruments

Scheme

## The AMC aims to identify securities, which offer superior Investment Strategies

levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

The AMC will also be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same. The AMC will attempt to achieve adequate diversification of the portfolio by investing in approximately 10-15 securities for the first ₹ 100 crores of the corpus of the

Subject to the limits indicated above, the Fund may invest a part of the portfolio in securities issued and guaranteed by State and Central Governments. The Fund may also invest in Securities of issuers supported by Government of India or State Governments subject to such securities satisfying the criteria relating to rating etc.

could be limited, the AMC will try to provide liquidity by staggering maturities for various instruments, as well as holding a sufficient portion of the portfolio in more liquid government and corporate paper as well as money market

Given that the liquidity of certain fixed income instruments

Under normal circumstances 40 - 60% of portfolio may be considered to be invested in illiquid securities. Should there be a need to liquidate part or all of these securities in a very short duration of time, the AMC may not be able to realize the full value of these securities.

Consequently the NAV of the Scheme may be impacted.

The Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC.

The scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. An appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme will invest in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 3 years and 4 years

The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

The fund manager may, in the interest of investors, in case of anticipated adverse situation reduce the portfolio duration of the scheme up to a duration of 1 year. In such cases, the AMC shall record and maintain the reasons for the same. The reasons shall be placed before the Trustees in the subsequent Trustee meeting.

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds provided it is in conformity with the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest

The scheme may also invest in Units issued by REITs & InvITs

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees

#### **Risk factors** associated with **REITs & InvITs**

Please refer to notes for risk factors

in securitized debt.



Corporate Identity Number: U99999DL1993PLC054135

Change in Name

Type of Scheme

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051. Tel: +91 22 2652 5000, Fax: +91 22 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com

Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400063. Tel: 022 2685 2000 Fax: 022 26868313

## **NOTICE-CUM-ADDENDUM**

## 9. ICICI Prudential Corporate Bond Fund (contd.) **Existing Provision** Revised/Proposed Provision This product is suitable for investors who are seeking\* This product is suitable for investors who are seeking\* Product labeling and Riskometer Long term savings solution Medium term savings A debt fund that invests in debt and money market A debt scheme that invests in debt and money market instruments with a view to maximise income while maintaining optimum balance of yield, safety and instruments of various maturities with a view to maximise income while maintaining optimum balance of yield, safety and liquidity Moderate Investors understand that their principal Investors understand that their principal will be at moderate risk will be at moderate risk \*Investors should consult their financial advisers if in doubt \*Investors should consult their financial advisers if in doubt

	Exis	Existing Provision				Revised/Proposed Provision		
Change in Name	e ICICI Prudential Flexible Income Plan				ICICI Prudential Savir	ngs Fund		
Type of Scheme	Open ended Income fund				An open ended low instruments such that is between 6 month investment strategy)	the Macaulay	duration of t	ne portfolic
Investment Objective	To generate income through investments in a range of debt and money market instruments of various maturities with a view to maximizing income while maintaining the optimum				and money market instruments while maintaining the			
	balance of yield, safety	balance of yield, safety and liquidity.				However, there can be no assurance or guarantee the investment objective of the Scheme would be achieved.		
Asset Allocation	Under normal circumstances, the asset allocation under the Scheme will be as follows:			Under normal circums Scheme will be as followed	,	set allocation	n under the	
	Type of Security	(% of corp	Indicative allocation (% of corpus) under Profile normal circumstances		Type of Security	Indicative (% of co	rpus) in	Risk Profile
	Particulars	Maximum	Minimum		Particulars	Maximum	Minimum	

Money Market instruments and Debentures with residual maturity of less than 1 year	100%	10%	to Low
Debt instruments* with maturity more than 1 year	90%	0%	Medium to Low
* If the Scheme decides intention of the Investm			

about whether the product is suitable for them

will not, normally, exceed 50% of the corpus of the Plan.

The asset allocation pattern may be modified in the interest of investors; however, the same will be reviewed by the Fund Manager from time to time and will be rebalanced to its normal on in a time frame as permitted by the trustee. However the AMC will endeavour to achieve a normal asset allocation pattern in a maximum period of 6 months.

The cumulative gross exposure should not exceed 100% of the net assets of the scheme.

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals

The AMC aims to identify securities, which offer superior

levels of yield at lower levels of risks. With the aim of

controlling risks, rigorous in depth credit evaluation of the

securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a

study of the operating environment of the company, the past

track record as well as the future prospects of the issuer, the

The AMC will also be guided by the ratings of such Rating

of Rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including

the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis

to attempt to predict the likely direction of interest rates and

position the portfolio appropriately to take advantage of the

same. The AMC will attempt to achieve adequate

diversification of the portfolio by investing in approximately

10-15 securities for the first ₹ 100 crores of the corpus of the

Subject to the limits indicated above, the Fund may invest a

part of the portfolio in securities issued and guaranteed by State and Central Governments. The Fund may also invest

in Securities of issuers supported by Government of India or

State Governments subject to such securities satisfying the

holding a sufficient portion of the portfolio in more liquid

government and corporate paper as well as money market

Under normal circumstances 40% - 60% of portfolio may be

considered to be invested in illiquid securities. Should there be a need to liquidate part or all of these securities in a very

short duration of time, the AMC may not be able to realize the full value of these securities.

The Scheme may invest in other schemes managed by the

AMC or in the Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme

and in terms of the prevailing Regulations. As per the

Regulations, no investment management fees will be charged

For the present, the Scheme does not intend to enter into

underwriting obligations. However, if the Scheme does enter

Consequently the NAV of the Scheme may be impacted.

encies as approved by SEBI to carry out the functioning

short as well as longer-term financial health of the issuer.

The scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. An appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market instruments include cash and cash equivalents. The scheme will invest in Debt & Money Market instruments such that the Macaulay duration of the portfolio is between 6 months and

about whether the product is suitable for them

100%

Securitized debt up to 50% of the net assets of the

Derivatives up to 100% of the net assets of the Scheme

The cumulative gross exposure should not exceed 100% of

The Macaulay duration of the portfolio of the Scheme would

In the event of variance in the asset allocation, the fund

manager will carry out portfolio rebalancing within 30 days

Further, in case the portfolio is not rebalanced within the

period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same

shall be recorded in writing. The investment committee shall

The securities mentioned in the asset allocation pattern could

be listed, unlisted, privately placed, secured or unsecured

rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public

Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

Debt and Money

Market Instruments

The Scheme may also take exposure to:

be between 6 months and 12 months.

then decide on the course of action.

The Macaula duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

12 months

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political. economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to Given that the liquidity of certain fixed income instruments could be limited, the AMC will try to provide liquidity by staggering maturities for various instruments, as well as predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity with the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as mitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest in securitized debt.

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees

This product is suitable for investors who are seeking\*:

An open ended low duration debt scheme that aims to

maximise income by investing in debt and money market

instruments while maintaining optimum balance of yield

Moderate

CRISIL Ultra Short Term Debt Index

Short term savings

safety and liquidity.

#### into an underwriting agreement, it would do so with the prior approval of the Board of the AMC. CRISIL Liquid Fund Index Benchmark

for such investments.

Scheme.

criteria relating to rating etc.

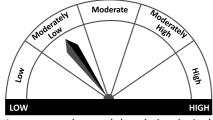
#### Product labeling and Riskometer

Investment

Strategies

This product is suitable for investors who are seeking\*

Short term savings solution A debt fund that aims to maximize income by investing in debt and money market instruments while maintaining optimum balance of yield, safety and liquidity



Investors understand that their principal

\*Investors should consult their financial advisers if in doubt

about whether the product is suitable for them

will be at moderately low risk

Investors understand that their principal will be at moderately low risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

## 11. ICICI Prudential Short Term Plan

the net assets of the scheme.

	Type of Security	Indicative allocation	Risk	Type of Security	Indicative allocation	Risk	
Asset Allocation	Under normal circumsta Scheme will be as follow	ances, the asset allocation ws:	n under the	Under normal circumsta Scheme will be as follo	ances, the asset allocation ws:	n under the	ot e
Investment Objective	and money market instr	ough investments in a rar ruments of various matur ome while maintaining the and liquidity.	ities with a	and money market in optimum balance of yield However, there can be	rough investments in a ran nstruments while maint eld, safety and liquidity. no assurance or guarant f the Scheme would be ac	aining the	
				is between 1 Year and strategy)	3 Years (please refer to i	nvestment	bt ne ne

**Existing Provision** 

ICICI Prudential Short Term Plan

An open ended Income Fund

Scheme will be as follo	ows:			Scheme will be as follo	ows:		
Type of Security	Indicative (% of corp normal circ		Risk Profile	Type of Security	Indicative (% of co all circun	rpus) in	Risk Profile
Particulars	Maximum	Minimum		Particulars	Maximum	Minimum	
Money Market Instruments	50%	0%	Low to Medium	Money Market instruments	50%	0%	Low to Medium
Debt Instruments*	100%	0%	Low to Medium	Debt instruments	100%	0%	Low to Medium

The Scheme may also take exposure to:

Securitized debt up to 50% of the net assets of the Scheme

Revised/Proposed Provision

An open ended short term debt scheme investing in

instruments such that the Macaulay duration of the portfolio

ICICI Prudential Short Term Fund

Derivatives up to 100% of the net assets of the Scheme The cumulative gross exposure should not exceed 100% of the net assets of the scheme

The Macaulay duration of the portfolio of the Scheme would be between 1 year and 3 years

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

## Investment Strategies

Medium

to Low

0%

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

\*If the Scheme decides to invest in securitised debt, it is the

intention of the Investment Manager that such investments

will not, normally, exceed 50% of the corpus of the Scheme.

The cumulative gross exposure should not exceed 100% of

It may be noted that no prior intimation/indication would be

given to investors when the composition/asset allocation

pattern under the Scheme undergo changes within the

permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect

the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation

of the scheme as on the last date of each month on AMCs

allocation of the scheme as on the given day.

website at www.icicipruamc.com that will display the asset

The securities mentioned in the asset allocation pattern could

be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be

acquired through secondary market purchases, Initial Public

Offering (IPO), other public offers, Private Placement, right

offers (including renunciation) and negotiated deals.

The AMC will also be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same. The AMC will attempt to achieve adequate diversification of the portfolio by investing in approximately 10-15 securities for the first ₹ 100 crores of the corpus of the

Subject to the limits indicated above, the Fund may invest a part of the portfolio in securities issued and guaranteed by State and Central Governments. The Fund may also invest in Securities of issuers supported by Government of India or State Governments subject to such securities satisfying the criteria relating to rating etc.

Given that the liquidity of certain fixed income instruments could be limited, the AMC will try to provide liquidity by staggering maturities for various instruments, as well as holding a sufficient portion of the portfolio in more liquid government and corporate paper as well as money market Under normal circumstances 40 - 60% of portfolio may be

considered to be invested in illiquid securities. Should there be a need to liquidate part or all of these securities in a very short duration of time, the AMC may not be able to realize the full value of these securities. Consequently the NAV of the Scheme may be impacted.

The Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity to the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC.

The scheme aims to identify securities which offer optima level of yields/returns, considering risk-reward ratio. An appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme will invest in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 1 year and

The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity with the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees

## ICICI Prudential Short Term Plan is suitable for investors who are seeking\*:

- Short term income generation and capital appreciation solution
- A debt fund that aims to generate income by investing in a range of debt and money market instruments of various maturities.

# Riskometer

Investors understand that their principal will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

12. ICICI Frudential negular income Fund					
	Existing Provision	Revised/Proposed Provision			
Change in Name	ICICI Prudential Regular Income Fund	ICICI Prudential Ultra Short Term Fund			
Type of Scheme	Open ended Income scheme	An open ended ultra-short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months and 6 months (please refer to investment strategy)			
Investment	The Scheme seeks to generate regular income through	To generate income through investments in a range of debt			

## Objective

investments in fixed income securities so as to make regular dividend distribution to unitholders seeking the Dividend Option. The secondary objective of the Scheme is to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments.

and money market instruments. However, there can be no assurance or quarantee that the investment objective of the Scheme would be achieved.

Asset Allocation Under normal circumstances, the asset allocation under the Scheme will be as follows:

#### Type of Security Indicative allocation Risk (% of corpus) under normal circumstances **Particulars** Maximum Minimum Equities & Equity related securities Medium to High Debt \$\* securities, Money Market 100% Low to Medium instruments & Cash

\$ Including securitized debt (Single loan and/or Pool loan Securitized debt) of up to 50% of the portfolio.

management of the scheme.

Including derivatives instruments to the extent of 50% of the Net Assets as permitted by SEBI. The margin money requirement for the purpose of derivative exposure will be as per the SEBI Regulations. The Scheme shall not take leverage positions and total investments, including investments in debt and other securities and gross exposure to derivatives, if any, shall not exceed net assets under

Under normal circumstances, the asset allocation under the

Scheme will be as follows:						
Type of Security	Indicative (% of corp normal circ	Risk Profile				
Particulars	Maximum	Minimum				
Debt & Money Market Instruments	100%	90%	Low to Medium			
Units issued by REITs & InvITs	10%	0%	Medium to High			

The Scheme may also take exposure to:

- Securitized debt up to 50% of the net assets of the
- Derivatives up to 100% of the net assets of the Scheme The cumulative gross exposure should not exceed 100% of the net assets of the scheme

The Macaulay duration of the portfolio of the Scheme would be between 3 months and 6 months.

In case of any variance from the above asset allocation, the Page:5 (con



Corporate Identity Number: U99999DL1993PLC054135

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051. Tel: +91 22 2652 5000, Fax: +91 22 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400063. Tel: 022 2685 2000 Fax: 022 26868313

# **NOTICE-CUM-ADDENDUM**

Asset Allocation

## 12. ICICI Prudential Regular Income Fund (contd.)

**Existing Provision** The Scheme will normally allocate 5% of its total assets to fund manager will carry out portfolio rebalancing within 30 Equity and Equity related securities and 95% to Debt instruments, Money Market Instruments, Securitised debt Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed

The cumulative gross exposure should not exceed 100% of the net assets of the scheme

It may be noted that no prior intimation/indication would be given to investors when the composition/asset allocation pattern under the Scheme undergo changes within the permitted band as indicated above or for changes due to defensive positioning of the portfolio with a view to protect the interest of the unit holders on a temporary basis. The investors/unit holders can ascertain details of asset allocation of the scheme as on the last date of each month on AMCs website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

Investors may note that securities, which provide higher returns, typically, display higher volatility. Accordingly, the investment portfolio of the Scheme which invests some portion in equity would reflect moderate to high volatility in its equity and equity related investments and low to moderate volatility in its debt and money market investments

The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

The AMC aims to identify securities which offer superior

before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action. The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured,

Revised/Proposed Provision

rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.

## i) Fixed Income securities:

Investment

Strategies

levels of yield at lower levels of risks. With the aim of controlling risks rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk team of the AMC. The credit evaluation includes a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer, the short as well as longer term financial health of the issuer. Rated debt instruments in which the Scheme invests will be of investment grade as rated by a credit rating agency. The AMC will be guided by the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of Rating agencies. In case a debt instrument is not rated, such investments shall be made by the Board of Trustees and the Board of Asset Management Company or by an internal committee constituted by AMC to approve the investment in un-rated debt securities in terms of the parameters approved by the Board of Trustees and the Board of Asset Management Company.

In addition, the investment team of the AMC will study the macro economic conditions, including the political economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

## ii) Equities:

For the equity portion of the corpus, the AMC intends to invest in stocks, which are bought, typically with a one-year time horizon. Stock specific risk will be minimized by investing only in those companies that have been thoroughly analyzed by the Fund Management team at

The AMC will also monitor and control maximum exposure to any one stock or one sector. The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest.

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other Mutual Funds, provided it is in conformity with the investment objectives of the Scheme and in terms of the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so after complying with the Regulations and with the prior approval of the Board of the AMC/Trustee

The scheme aims to identify securities which offer optimal level of yields/returns, considering risk-reward ratio. An appropriate mix of debt market securities and money market securities will be used to achieve this. Money Market securities include cash and cash equivalents. The scheme will invest in Debt & Money Market instruments such that the Macaulay duration of the portfolio is between 3 months and

The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

With the aim of controlling risks, rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer

The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity with the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.

The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives.

It may also invest in securitized debt.

The scheme may also invest in Units issued by REITs &InvITs. For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees

## Please refer to notes for risk factors

## **REITs & InvITs**

Risk factors

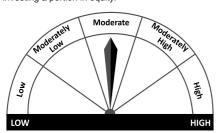
Benchmark

Product labeling

CRISIL MIP Blended Index

This product is suitable for investors who are seeking\*: Medium term regular income solution

A hybrid fund that aims to generate through investments primarily in debt and money market instruments and long term capital appreciation by investing a portion in equity.



Investors understand that their principal will be at moderate risk

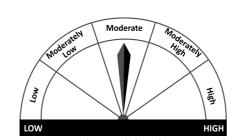
\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

CRISIL Liquid Fund Index

This product is suitable for investors who are seeking\*:

Short term regular income

a range of debt and money market instruments.



Investors understand that their principal will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

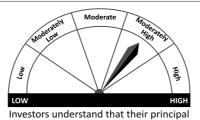
# 13. ICICI Prudential Nifty Index Fund

	Existing Provision					Revised	Proposed F	Provision		
Type of Scheme	An Open ended Index Fund		,	An open ended Index scheme replicating Nifty 50 Index.			0 Index.			
Asset Allocation	Under normal circumstances, the asset allocation under the Scheme will be as follows:					Under normal circumsta Scheme will be as follow		set allocation	n under the	
	Type of Security	(% o	f corp	allocation ous) under oumstances	Risk Profile		Type of Security	Indicative allocation (% of corpus) in all circumstances		Risk Profile
	Particulars	Maxi- mum	Mini- mum	Approximate allocation	Low/ Medium/ High		Particulars	Maximum	Minimum	Low/ Medium/ High
	Equity Stocks drawn from the components of the Nifty 50 and the exchange-traded derivatives on the Nifty 50	100%	90%	99.75	High		Equity Stocks drawn from the components of the Nifty 50 and the exchange-traded derivatives on the Nifty 50	100%	95%	High
	Money Market instruments	10%	0%	0.25	Medium to High		Debt & Money Market instruments	5%	0%	Low to Medium

## This product is suitable for investors who are seeking\*:

- · Long term wealth creation solution
- An index fund that seeks to track returns by investing in a basket of Nifty 50 Index stocks and aims to achieve returns of the stated index, subject to

## Riskometer



will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

14. ICICI Prudentia	4. ICICI Prudential Advisor Series - Moderate Plan								
	Existing Provision	Revised/Proposed Provision							
Change in Name	ICICI Prudential Advisor Series - Moderate Plan	ICICI Prudential Advisor Series - Conservative Fund							
Type of Scheme	(An open ended Fund of Funds) An Open-ended asset allocation fund Offering	An open ended fund of funds scheme investing in hybrid and debt oriented mutual fund schemes.							
Investment Objective	ICICI Prudential Advisor Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary objective to generate returns through investment in	A Fund of Funds scheme that seeks to generate long term capital appreciation and income by creating a portfolio that is invested in hybrid and debt oriented schemes of ICICI Prudential Mutual Fund as stated below:							
	underlying schemes of onshore or offshore Mutual Fund(s).	Hybrid Schemes							
	The investments into underlying funds under each Plan of FOF would, inter alia, be governed by:	ICICI Prudential Balanced Advantage Fund							
	The investment management style of such schemes	ICICI Prudential Equity & Debt Fund							

#### The investment management style of such schemes (both FOF and underlying), · ICICI Prudential Equity Savings Fund

- The tolerance and the risk profile of such schemes (both FOF and underlying),
- The asset allocation (such as equity or debt) of such schemes (both FOF and underlying).

ICICI Prudential Advisor Series - Moderate Plan: The primary investment objective of the Scheme is to seek to generate long term capital appreciation and current income by creating a portfolio that is invested in the schemes of domestic or offshore Mutual Fund(s) mainly having asset allocation to: Equity and equity related securities as well as

 Fixed income securities However there can be no assurance that the investment objectives of the scheme will be realized.

Under normal circumstances, the asset allocation under the

Scheme will be as follows:

Type of Security	Indicative allocation (% of corpus) under normal circumstances		Risk Profile
Particulars	Maximum	Minimum	Low/ Medim/ High
Equity-oriented schemes	60%	40%	High
Debt-oriented schemes	60%	30%	Low to Medium
Money market schemes/cash and liquid plans	30%	0%	Low
Gold Exchange Traded Fund and other Exchange Traded Fund*	20%	0%	Low

The scheme will make investments in onshore Gold Exchange Traded Funds and in case of other Exchange Traded Fund(s) ETF(s) the investments will be made both in on shore and off shore ETF(s)

The cumulative gross exposure through investment in various Funds shall not exceed 100%

The above percentages would be adhered to at the point of investment in the underlying schemes. The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus under the Scheme. Investors may note that securities, which provide higher

returns, typically, display higher volatility. Accordingly, the investment portfolio of the Scheme would reflect moderate to high volatility in the units of the underlying schemes having asset allocations in equity and equity related instruments and low to moderate volatility in units of the underlying schemes having asset allocations in debt, Gold and money market

However, there can be no assurance or guarantee that the

investment objective of the Scheme would be achieved.

• ICICI Prudential Multi-Asset Fund

**Debt Schemes** 

ICICI Prudential Nifty Index Fund

ICICI Prudential Money Market Fund

ICICI Prudential All Seasons Bond Fund

ICICI Prudential Constant Maturity Gilt Fund

Type of Security	Indicative allocation (% of corpus) under normal circumstances		Risk Profile
Particulars	Maximum	Minimum	Low/ Medim/ High
Hybrid oriented schemes	100%	40%	High
Debt-oriented schemes	60%	30%	Low to Medium

95% (minimum allocation) in the underlying schemes. Upto 5% of the scheme will be invested in money market instruments or cash.

The cumulative gross exposure through investment in various Funds shall not exceed 100%

The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus under the Scheme.

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

#### Investment Strategies

The Scheme will invest primarily in the existing schemes of onshore or offshore Mutual Fund(s), gold exchange traded fund and other exchange traded fund. ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes for ICICI Prudential Advisor Series-Moderate Plan. ICICI Prudential Advisor Series-Moderate Plan intends to invest in various schemes of ICICI Prudential Mutual Fund, presently launched or that may be launched in future.

## Information about Underlying Funds

Indicative list of the underlying schemes of ICICI Prudential Mutual Fund, that may be considered for investments by ICICI Prudential Advisor Series-Moderate Plan, are as follows. But the same is not exhaustive and it may change due to new schemes being introduced or existing schemes being modified. However it will be ensured that such additional schemes or changes therein meet the investment objectives criteria and asset allocation pattern of any of the of ICICI Prudential Advisor Series-Moderate Plan

## Money Market mutual fund schemes

ICICI Prudential Liquid Plan

## **Debt-Oriented Schemes**

- ICICI Prudential Income Plan
- ICICI Prudential Gilt Funds
- ICICI Prudential Flexible Income Plan
- ICICI Prudential Savings Fund
- ICICI Prudential Ultra Short Term Plan
- ICICI Prudential Short Term Plan

## **Equity-Oriented Schemes** • ICICI Prudential Top 100 Fund

- ICICI Prudential Multicap Fund · ICICI Prudential Technology Fund
- ICICI Prudential FMCG Fund
- · ICICI Prudential Dynamic Plan • ICICI Prudential Nifty Index Fund
- ICICI Prudential Infrastructure Fund • ICICI Prudential Value Discovery Fund
- ICICI Prudential Midcap Fund
- · ICICI Prudential Focused Bluechip Equity Fund Nifty 50 (40%) + Crisil Composite Bond Fund Index (40%) +

# Benchmark

Product labeling Long term wealth creation solution

Crisil Liquid Fund Index (10%) + Gold (10%)

This product is suitable for investors who are seeking\*:

A Fund of funds schemes that seeks to generate long term capital appreciation and current income by creating a portfolio that is invested in the Schemes of domestic or offshore Mutual Funds mainly having asset allocation to Equity and equity related securities as well as fixed income

Investors understand that their principal will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Series-Conservative Fund. The fund manager based on their outlook will decide on the weightage of each scheme. **Hybrid Schemes** ICICI Prudential Balanced Advantage Fund

ICICI Prudential Mutual Fund, at present, has a number of

Debt and Hybrid oriented schemes, which would act as the

underlying schemes. ICICI Prudential Advisor Series

Conservative Fund intends to invest in various schemes of

The scheme will invest based on the investment objective

and asset allocation pattern of ICICI Prudential Advisor

- ICICI Prudential Equity & Debt Fund
- ICICI Prudential Equity Savings Fund
- ICICI Prudential Multi-Asset Fund
- ICICI Prudential Nifty Index Fund

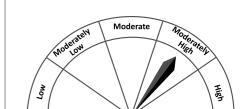
ICICI Prudential Mutual Fund.

- ICICI Prudential Money Market Fund • ICICI Prudential All Seasons Bond Fund
- · ICICI Prudential Constant Maturity Gilt Fund

Nifty 50 (40%) + Crisil Composite Bond Fund Index (60%)

This product is suitable for investors who are seeking\*:

Long term wealth creation A Fund of Funds scheme that seeks to generate long term capital appreciation and income by creating a portfolio that is invested in hybrid and debt oriented mutual



Investors understand that their principal will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Asset Allocation

# ICICI Prudential Asset Management Company Limited

Corporate Identity Number: U99999DL1993PLC054135

Asset Allocation

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051. Tel: +91 22 2652 5000, Fax: +91 22 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400063. Tel: 022 2685 2000 Fax: 022 26868313

# **NOTICE-CUM-ADDENDUM**

15. ICICI Prudential Advisor Series - Dynamic Accrual Plan

	Existing Provision	Revised/Proposed Provision
Change in Name	ICICI Prudential Advisor Series - Dynamic Accrual Plan	ICICI Prudential Advisor Series - Debt Management Fund
Type of Scheme	(An open ended Fund of Funds) An Open-ended asset allocation fund Offering	An open ended fund of funds scheme investing in debt oriented schemes of ICICI Prudential Mutual fund
Investment Objective	ICICI Prudential Advisor Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary	A Fund of Funds scheme that seeks to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in the

Low to

Medium

following schemes:

ICICI Prudential Floating Interest Fund

ICICI Prudential Medium Term Bond Fund

However, there can be no assurance or guarantee that the

investment objective of the Scheme would be achieved.

ICICI Prudential All Seasons Bond Fund

ICICI Prudential Short Term Fund

ICICI Prudential Credit Risk Fund

ICICI Prudential Savings Fund

ICICI Prudential Liquid Fund

objective to generate returns through investment in underlying schemes of onshore or offshore Mutual Fund(s). The investments into underlying funds under each Plan of FOF would, inter alia, be governed by:

- The investment management style of such schemes (both FOF and underlying). The tolerance and the risk profile of such schemes (both
- FOF and underlying), The asset allocation (such as equity or debt) of such
- schemes (both FOF and underlying).

ICICI Prudential Advisor Series - Dynamic Accrual Plan: The primary investment objective of the Scheme is to seek to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in the schemes of domestic or offshore Mutual Fund(s) having asset allocation to: Money market and debt securities.

The Scheme may be considered to be ideal for investor's having a low risk appetite and a shorter duration of

However there can be no assurance that the investment objectives of the scheme will be realized.

Under normal circumstances, the asset allocation under the Scheme will be as follows: **Approximate** Type of Security Profile (% of Corpus **Particulars** Low/ High

Debt oriented Schemes

Money market schemes Low Cash and Liquid Plans The cumulative gross exposure through investment in various Funds shall not exceed 100%

The above percentages would be adhered to at the point of investment in the underlying schemes. The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus

Investors may note that securities, which provide higher returns, typically, display higher volatility. Accordingly, the investment portfolio of the Scheme would reflect moderate to high volatility in the units of the underlying schemes having asset allocations in equity and equity related instruments and low to moderate volatility in units of the underlying schemes having asset allocations in debt, Gold and money market

Under normal circumstances, the asset allocation under the Scheme will be as follows

Type of Security	Approximate Allocation (% of Corpus)	Risk Profile				
Particulars		Low/ Medium/ High				
Debt oriented Schemes	0% - 100%	Low to Medium				
At all points of time, the scheme will remain invested at least						

5% of the scheme will be invested in money market instruments or cash. The cumulative gross exposure through investment in various Funds shall not exceed 100%

95% (minimum allocation) in the underlying schemes. Upto

The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus under the Scheme

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

ICICI Prudential Mutual Fund, at present, has a number of

Debt oriented schemes, which would act as the underlying

schemes. ICICI Prudential Advisor Series-Debt Management

Fund intends to invest in various schemes of ICICI Prudential

The scheme will invest based on the investment objective

and asset allocation pattern of ICICI Prudential Advisor

Series-Debt Management Fund. The fund manager based

on their outlook will decide on the weightage of each scheme

ICICI Prudential Floating Interest Fund

ICICI Prudential Medium Term Bond Fund

ICICI Prudential All Seasons Bond Fund

ICICI Prudential Short Term Fund

ICICI Prudential Credit Risk Fund

ICICI Prudential Savings Fund

ICICI Prudential Liquid Fund

Mutual Fund

#### Investment Strategies

The Scheme will invest primarily in the existing schemes of onshore or offshore Mutual Fund(s), gold exchange traded fund and other exchange traded fund. ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes for ICICI Prudential Advisor Series-Dynamic Accrual Plan. ICICI Prudential Advisor Series-Dynamic Accrual Plan intends to invest in various schemes of ICICI Prudential Mutual Fund, presently launched or that may be launched in future.

Information about Underlying Funds

Indicative list of the underlying schemes of ICICI Prudential Mutual Fund, that may be considered for investments by ICICI Prudential Advisor Series-Dynamic Accrual Plan are as follows. But the same is not exhaustive and it may change due to new schemes being introduced or existing schemes being modified. However it will be ensured that such additional schemes or changes therein meet the investment objectives criteria and asset allocation pattern of ICICI Prudential Advisor Series-Dynamic Accrual Plan

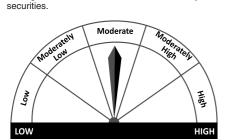
## Money Market mutual fund schemes

- ICICI Prudential Liquid Plan
- **Debt-Oriented Schemes**
- ICICI Prudential Income Plan
- ICICI Prudential Gilt Funds
- ICICI Prudential Flexible Income Plan
- · ICICI Prudential Savings Fund
- ICICI Prudential Ultra Short Term Plan
- ICICI Prudential Short Term Plan
- ICICI Prudential Regular Savings Fund ICICI Prudential Regular Income Fund
- · ICICI Prudential Corporate Bond Fund
- Benchmark Crisil Liquid Fund Index (30%) + Crisil Composite Bond Fund

#### This product is suitable for investors who are seeking\*: Product labeling and Riskometer

Short term savings solution

· A fund of funds scheme that seeks to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in the Schemes of domestic or offshore Mutual Funds having asset allocation to debt and money market



Investors understand that their principal will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

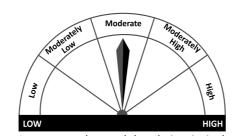
The asset allocation (such as equity or debt) of such

schemes (both FOF and underlying)

Crisil Composite Bond Fund Index

This product is suitable for investors who are seeking\*: Short term savings solution

An open ended fund of funds scheme investing in debt oriented schemes of ICICI Prudential Mutual Fund.



Investors understand that their principal will be at moderate risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

ICICI Prudential Midcap Fund

ICICI Prudential Multicap Fund

10. 101011114401144	TAUTION CONCO CUUNCUCTIUN			
	Existing Provision	Revised/Proposed Provision		
Change in Name	ICICI Prudential Advisor Series - Cautious Plan	ICICI Prudential Advisor Series - Hybrid Fund		
Type of Scheme	(An open ended Fund of Funds) An Open-ended asset allocation fund Offering	An open ended fund of funds scheme investing in equand debt oriented mutual fund schemes.		
Investment Objective	ICICI Prudential Advisor Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary objective to generate returns through investment in underlying schemes of onshore or offshore Mutual Fund(s).	s, income primarily through investments in equity and debt oriented schemes of ICICI Prudential Mutual Fund as stated below:		
	The investments into underlying funds under each Plan of FOF would, inter alia, be governed by:	Equity Oriented Schemes     ICICI Prudential Bluechip Fund		
	The investment management style of such schemes (both FOF and underlying).	ICICI Prudential Large & MidCap Fund     ICICI Prudential US Bluechip Equity Fund		
	The tolerance and the risk profile of such schemes (both FOF and underlying),  The tolerance and the risk profile of such schemes (both FOF and underlying),	ICICI Prudential Value Discovery Fund     ICICI Prudential Value Discovery Fund     ICICI Prudential Mideen Fund		

## 16. ICICI Prudential Advisor Series - Cautious Plan (contd.)

	Existing Provision	Revised/Proposed Provision
Investment Objective	ICICI Prudential Advisor Series - Cautious Plan: The primary investment objective of the Scheme is to seek to generate regular income primarily through investments in the schemes of domestic or offshore Mutual Fund(s) having asset allocation:  Primarily to fixed income securities  To a lesser extent (maximum 35%) in equity and equity related securities so as to generate long-term capital appreciation.  However there can be no assurance that the investment objectives of the scheme will be realized.	Debt Oriented Schemes  ICICI Prudential Liquid Fund  ICICI Prudential Corporate Bond Fund  ICICI Prudential Banking and PSU Debt Fund  ICICI Prudential Bond Fund  ICICI Prudential Gilt Fund  ICICI Prudential Ultra Short Term Fund  ICICI Prudential Short Term Fund  However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

Scheme will be as foll	ows:			Scheme will be as foll	ows:		
Type of Security	(% of corp	allocation ous) under oumstances	Risk Profile	Type of Security	Indicative (% of corp normal circ		Risk Profile
Particulars	Maximum	Minimum	Low/ Medim/ High	Particulars	Maximum	Minimum	Low/ Medim/ High
Equity-oriented schemes	35%	0%	High	Equity-oriented schemes	35%	0%	High
Debt-oriented schemes	100%	50%	Low to Medium	Debt-oriented schemes	100%	35%	Low To Medium
Money market schemes/cash and liquid plans	30%	0%	Low	At all points of time, the scheme will remain invested at 95% (minimum allocation) in the underlying schemes. 5% of the scheme will be invested in money m		mes. Upto	
Gold Exchange Traded Fund and other Exchange Traded Fund*	20%	0%	Medium	instruments or cash.  The cumulative gross of Funds shall not exceed	d 100%.		
Traded Fullu				In case of any variance	e from the abo	ve the event	t of chang

The scheme will make investments in onshore Gold Exchange Traded Funds and in case of other Exchange Traded Fund(s) ETF(s) the investments will be made both in on shore and off shore ETF(s)

The cumulative gross exposure through investment in various Funds shall not exceed 100%

The above percentages would be adhered to at the point of investment in the underlying schemes. The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus

Investors may note that securities, which provide higher returns, typically, display higher volatility. Accordingly, the investment portfolio of the Scheme would reflect moderate to high volatility in the units of the underlying schemes having asset allocations in equity and equity related instruments and low to moderate volatility in units of the underlying schemes having asset allocations in debt, Gold and money market

#### Investment The Scheme will invest primarily in the existing schemes of Strategies

onshore or offshore Mutual Fund(s), gold exchange traded fund and other exchange traded fund. ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes for ICICI Prudential Advisor Series - Cautious Plan. ICICI Prudential Advisor Series - Cautious Plan intends to invest in various schemes of ICICI Prudential Mutual Fund, presently launched or that may be launched in future

## Information about Underlying Funds

Indicative list of the underlying schemes of ICICI Prudential Mutual Fund, that may be considered for investments by ICICI Prudential Advisor Series - Cautious Plan are as follows. But the same is not exhaustive and it may change due to new schemes being introduced or existing schemes being modified. However it will be ensured that such additional schemes or changes therein meet the investment objectives criteria and asset allocation pattern of ICICI Prudential Advisor

## Money Market mutual fund schemes

ICICI Prudential Liquid Plan

## **Debt-Oriented Schemes**

- ICICI Prudential Income Plan
- ICICI Prudential Gilt Funds
- ICICI Prudential Flexible Income Plan
- · ICICI Prudential Savings Fund
- ICICI Prudential Ultra Short Term Plan
- ICICI Prudential Short Term Plan
- · ICICI Prudential Banking & PSU Debt Fund
- ICICI Prudential Income Opportunities Fund

## **Equity-Oriented Schemes**

- ICICI Prudential Top 100 Fund
- ICICI Prudential Multicap Fund ICICI Prudential Technology Fund
- ICICI Prudential FMCG Fund
- ICICI Prudential Dynamic Plan
- ICICI Prudential Nifty Index Fund ICICI Prudential Infrastructure Fund
- ICICI Prudential Value Discovery Fund
- · ICICI Prudential Midcap Fund
- ICICI Prudential Focused Bluechip Equity Fund

## Benchmark

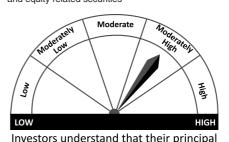
Nifty 50 (20%) + Crisil Composite Bond Index (60%) + Crisil

# Liquid Fund Index (10%) + Gold (10%)

# Product labeling

This product is suitable for investors who are seeking\*: Medium term savings solution

A Fund of Funds Scheme that seeks to generate regular income primarily through investments in the Schemes of domestic or offshore Mutual Funds having asset allocation primarily to fixed income securities and up to 35% in equity and equity related securities



will be at moderately high risk

\*Investors should consult their financial advisers if in doubt

about whether the product is suitable for them

- ICICI Prudential Banking and PSU Debt Fund
- ICICI Prudential Bond Fund
- ICICI Prudential Gilt Fund
- ICICI Prudential Ultra Short Term Fund
- ICICI Prudential Short Term Fund However, there can be no assurance or guarantee that the

Under normal circumstances, the asset allocation under the Under normal circumstances, the asset allocation under the Scheme will be as follows:

Funds shall not exceed 100%. In case of any variance from the above the event of change in the asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The

investment committee shall then decide on the course of

ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes. ICICI Prudential Advisor Series - Hybrid Fund intends to invest in various schemes of ICICI Prudential The scheme will invest based on the investment objective

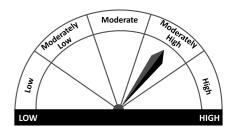
#### and asset allocation pattern of ICICI Prudential Advisor Series - Hybrid Fund. The fund manager based on their outlook will decide on the weightage of each scheme. **Equity Oriented Schemes**

- ICICI Prudential Bluechip Fund ICICI Prudential Large & Midcap Fund
- ICICI Prudential US Bluechip Equity Fund
- ICICI Prudential Value Discovery Fund ICICI Prudential Midcap Fund
- ICICI Prudential Multicap Fund
- **Debt Oriented Schemes** ICICI Prudential Liquid Fund
- ICICI Prudential Corporate Bond Fund
- ICICI Prudential Banking and PSU Debt Fund
- ICICI Prudential Bond Fund
- ICICI Prudential Gilt Fund ICICI Prudential Ultra Short Term Fund
- ICICI Prudential Short Term Fund

Nifty 50 (35%) + Crisil Composite Bond Index (65%).

## This product is suitable for investors who are seeking\*: Long term wealth creation

An open ended fund of funds scheme investing in equity and debt oriented mutual fund schemes



Investors understand that their principal will be at moderately high risk

ICICI Prudential Nifty Low Vol 30 ETF

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

## 17. ICICI Prudential Advisor Series - Long Term Savings Plan

FOF and underlying),

	Existing Provision	Revised/Proposed Provision
Change in Name	ICICI Prudential Advisor Series - Long Term Savings Plan	ICICI Prudential Advisor Series - Passive Strategy Fund
Type of Scheme	(An open ended Fund of Funds) An Open-ended asset allocation fund Offering	An open ended fund of funds scheme investing predominantly in Exchange Traded Funds of ICICI Prudential Mutual Fund
Investment Objective	ICICI Prudential Advisor Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary objective to generate returns through investment in	A Fund of Funds scheme that seeks to generate long term capital appreciation from a portfolio that is invested in following Exchange Traded Funds and debt schemes of ICICI Prudential Mutual Fund.
	underlying schemes of onshore or offshore Mutual Fund(s). The investments into underlying funds under each Plan of FOF would, inter alia, be governed by:	Exchange Traded Fund     ICICI Prudential Nifty 100 ETF
	The investment management style of such schemes (both)	ICICI Prudential Nifty ETF



**Asset Allocation** 

# ICICI Prudential Asset Management Company Limited

Corporate Identity Number: U99999DL1993PLC054135

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051. Tel: +91 22 2652 5000, Fax: +91 22 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400063. Tel: 022 2685 2000 Fax: 022 26868313

## **NOTICE-CUM-ADDENDUM**

17. ICICI Prudential Advisor Series - Long Term Savings Plan (contd.)

Scheme will be as follows:

**Equity Oriented Schemes** 

Debt oriented Schemes

Money market schemes/

Gold Exchange Traded Fund

and Other Exchange Traded

on shore and off shore ETF(s)

Funds shall not exceed 100%

under the Scheme

Cash and Liquid Plans

Type of Security

**Particulars** 

FOF and underlying),	ICICI Prudential Midcay
The asset allocation (such as equity or debt) of such     The asset allocation (such as equity or debt) of such	ICICI Prudential Sense
schemes (both FOF and underlying).	BHARAT 22 ETF
ICICI Prudential Advisor Series-Long Term Savings Plan: The primary investment objective of the Scheme is to seek to	Debt Oriented Schemes
generate long term capital appreciation from a portfolio that	ICICI Prudential Liquid

**Existing Provision** 

• The tolerance and the risk profile of such schemes (both

is invested predominantly in the schemes of domestic or However, there can be no assurance or guarantee that the offshore Mutual Fund(s) mainly having asset allocation to: investment objective of the Scheme would be achieved · Equity and equity related securities and

**Approximate** 

Allocation

50% - 80%

0% - 10%

0% - 30%

\*The scheme will make investments in onshore Gold

Exchange Traded Funds and in case of other Exchange

Traded Fund(s) ETF(s) the investments will be made both in

The cumulative gross exposure through investment in various

The above percentages would be adhered to at the point of

investment in the underlying schemes. The portfolio would

be rebalanced periodically to address any deviations from

the aforementioned allocations due to market changes.

Further subject to the asset allocation pattern stated above,

the maximum asset allocation to one scheme of a Mutual

Fund may be to the extent of 100% of the investible corpus

Investors may note that securities, which provide higher

returns, typically, display higher volatility. Accordingly, the

investment portfolio of the Scheme would reflect moderate

to high volatility in the units of the underlying schemes having

asset allocations in equity and equity related instruments and

low to moderate volatility in units of the underlying schemes having asset allocations in debt, Gold and money market

Risk

Profile

Low/

/ledium

High

High

Low to

Low

· A small portion in debt and money market instruments However, there can be no assurance that the investment objective of the Scheme will be realized

Under normal circumstances, the asset allocation under the Under normal circumstances, the asset allocation under the

Revised/Proposed Provision

ICICI Prudential NV20 ETF

ICICI Prudential Sensex ETF

ICICI Prudential Liquid Fund

ICICI Prudential Midcap Select ETF

Type of Security	Approximate Allocation (% of Corpus)	Risk Profile	
Particulars		Low/ Medium High	
Exchange Traded Funds	95% - 100%	High	
Units of Liquid schemes/ Money Market Instruments (with maturity not exceeding 91 days), including CBLO, cash & cash equivalents.	0% -5%	Low to Medium	

The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus under the Scheme.

In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

The Fund manager will invest based on the investment

objective and asset allocation pattern of the Scheme. The

fund manager based on their outlook will decide on the

weightage of each scheme

**Exchange Traded Funds** 

BHARAT 22 ETF

**Debt Oriented Schemes** 

ICICI Prudential Nifty 100 ETF

ICICI Prudential Nifty Low Vol 30 ETF

ICICI Prudential Midcap Select ETF

ICICI Prudential Nifty ETF

ICICI Prudential NV20 ETF

ICICI Prudential Sensex ETF

ICICI Prudential Liquid Fund

## Investment Strategies

The Scheme will invest primarily in the existing schemes of onshore or offshore Mutual Fund(s), gold exchange traded fund and other exchange traded fund. ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes for ICICI Prudential Advisor Series - Long Term Savings Plan. ICICI Prudential Advisor Series - Long Term Savings Plan intends to invest in various schemes of ICICI Prudential Mutual Fund, presently launched or that may be launched in

## Information about Underlying Funds

Indicative list of the underlying schemes of ICICI Prudential Mutual Fund, that may be considered for investments by ICICI Prudential Advisor Series - Long Term Savings Plan are as follows. But the same is not exhaustive and it may change due to new schemes being introduced or existing schemes being modified. However it will be ensured that such additional schemes or changes therein meet the investment objectives criteria and asset allocation pattern of ICICI Prudential Advisor Series - Long Term Savings Plan

## Money Market mutual fund schemes

ICICI Prudential Liquid Plan

# **Debt-Oriented Schemes**

- ICICI Prudential Gilt Funds
- ICICI Prudential Flexible Income Plan ICICI Prudential Savings Fund
- ICICI Prudential Ultra Short Term Plan
- ICICI Prudential Short Term Plan

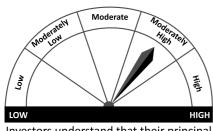
# **Equity-Oriented Schemes**

- ICICI Prudential Top 100 Fund ICICI Prudential Multican Fund
- ICICI Prudential Technology Fund
- ICICI Prudential FMCG Fund
- ICICI Prudential Dynamic Plan ICICI Prudential Nifty Index Fund
- · ICICI Prudential Infrastructure Fund
- ICICI Prudential Value Discovery Fund
- ICICI Prudential Midcap Fund • ICICI Prudential Focused Bluechip Equity Fund

#### Nifty 50 (50%) + Crisil Composite Bond Fund Benchmark Index (30%) + Crisil Liquid Fund Index (5%) + Gold (15%)

## Product labeling

- This product is suitable for investors who are seeking\*:
- Long term wealth creation solution
- A Fund of Funds scheme that seeks to generate long term capital appreciation from a portfolio that is invested predominantly in the schemes of domestic or offshore Mutual Funds mainly having asset allocation to equity and equity related securities and a small portion in debt and



Investors understand that their principal will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

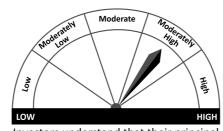
The investments into underlying funds under each Plan of

FOF would, inter alia, be governed by:

This product is suitable for investors who are seeking\*:

Nifty 50 Index

An open ended fund of funds scheme investing predominantly in Exchanged Traded Funds of ICICI Prudential Mutual Fund



Investors understand that their principal will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

18. ICICI Prudential Advisor Series - Very Aggressive Plan					
	Existing Provision	Revised/Proposed Provision			
Change in Name	ICICI Prudential Advisor Series - Very Aggressive Plan	ICICI Prudential Advisor Series - Thematic Fund			
Type of Scheme	(An open ended Fund of Funds) An Open-ended asset allocation fund Offering	An open ended fund of fund scheme investing in sectoral/ thematic equity oriented schemes and debt oriented schemes of ICICI Prudential Mutual Fund			
Investment Objective	ICICI Prudential Advisor Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary objective to generate returns through investment in underlying schemes of onshore or offshore Mutual Fund(s).	A Fund of Funds scheme that seeks to generate long term capital appreciation from a portfolio that is invested sectoral/thematic equity oriented schemes and debt oriented schemes of ICICI Prudential Mutual Fund as highlighted below:			

18. ICICI Prudential Advisor Series - Very Aggressive Plan (contd.)

## **Existing Provision** Investment The investment management style of such schemes (both FOF and underlying) FOF and underlying),

Asset Allocation Under normal circumstances, the asset allocation under the

- The tolerance and the risk profile of such schemes (both
- The asset allocation (such as equity or debt) of such schemes (both FOF and underlying)
- ICICI Prudential Advisor Series Very Aggressive Plan: The primary investment objective of this Plan is to seek to generate long term capital appreciation from a portfolio that is invested predominantly in the schemes of domestic or offshore Mutual Fund(s) that actively invests in
- Equity/equity related securities, debt & money market instruments, Gold Exchange Traded Funds This Plan is suitable for investor's seeking higher returns
- and having appetite for higher investments risks and However there can be no assurance that the investment

objectives of the scheme will be realized.

Type of Security	Approximate Allocation (% of Corpus)	Risk Profile	
Particulars		Low/ Medium/ High	
Equity Oriented Schemes	0% - 100%	High	
Debt oriented Schemes/ Money market schemes/ Cash and Liquid Plans	0% - 80%	Low to Medium	
Gold Exchange Traded Fund and Other Exchange Traded Fund*	0% - 60%	Low	

\*The scheme will make investments in onshore Gold Exchange Traded Funds and in case of other Exchange Traded Fund(s) ETF(s) the investments will be made both in on shore and off shore ETF(s).

The cumulative gross exposure through investment in various Funds shall not exceed 100% The above percentages would be adhered to at the point of

investment in the underlying schemes. The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus under the Scheme Investors may note that securities, which provide higher

returns, typically, display higher volatility. Accordingly, the investment portfolio of the Scheme would reflect moderate to high volatility in the units of the underlying schemes having asset allocations in equity and equity related instruments and low to moderate volatility in units of the underlying schemes having asset allocations in debt, Gold and money market The Scheme will invest primarily in the existing schemes of

onshore or offshore Mutual Fund(s), gold exchange traded fund and other exchange traded fund. ICICI Prudential Mutual

Fund, at present, has a number of Debt and Equity oriented

schemes, which would act as the underlying schemes for ICICI Prudential Advisor Series-Very Aggressive Plan. ICICI

Prudential Advisor Series-Very Aggressive Plan intends to

invest in various schemes of ICICI Prudential Mutual Fund,

schemes or changes therein meet the investment objectives

ICICI Prudential Advisor Series -Very Aggressive Plan

presently launched or that may be launched in future.

Information about Underlying Funds

Money Market mutual fund schemes

ICICI Prudential Flexible Income Plan

ICICI Prudential Ultra Short Term Plan

ICICI Prudential Liquid Plan

ICICI Prudential Income Plan

ICICI Prudential Savings Fund

ICICI Prudential Short Term Plan

ICICI Prudential Top 100 Fund

ICICI Prudential Technology Fund

• ICICI Prudential Multicap Fund

• ICICI Prudential FMCG Fund

· ICICI Prudential Gilt Funds

**Equity-Oriented Schemes** 

**Debt-Oriented Schemes** 

ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes. ICICI Prudential Advisor Series Thematic Fund intends to invest in various schemes of ICIC Prudential Mutual Fund.

Revised/Proposed Provision

Sectoral/Thematic Equity Oriented Schemes:

ICICI Prudential Dividend Yield Equity Fund

ICICI Prudential Banking & Financial Services Fund

However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

Under normal circumstances, the asset allocation under the

At all points of time, the scheme will remain invested at least

95% (minimum allocation) in the underlying schemes. Upto

5% of the scheme will be invested in money market

The cumulative gross exposure through investment in various

The portfolio would be rebalanced periodically to address

any deviations from the aforementioned allocations due to

market changes. Further subject to the asset allocation

pattern stated above, the maximum asset allocation to one

scheme of a Mutual Fund may be to the extent of 100% of

In case of any variance from the above asset allocation, the

fund manager will carry out portfolio rebalancing within 30

Days. Further, in case the portfolio is not rebalanced within

the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same

shall be recorded in writing. The investment committee shall

Approximate

(% of Corpus)

0% - 100%

0% - 20%

Low/

ledium

High

High

Low to

ICICI Prudential Exports & Services Fund

ICICI Prudential Nifty Next 50 Index Fund

ICICI Prudential Money Market Fund

ICICI Prudential Short Term Fund

ICICI Prudential Floating Interest Fund

ICICI Prudential Focused Equity Fund

ICICI Prudential Smallcap Fund

ICICI Prudential Nifty ETF

**Debt oriented Schemes** 

Scheme will be as follows:

Sectoral/Thematic Equity

Debt oriented Schemes

Oriented Schemes

instruments or cash.

Funds shall not exceed 100%

the investible corpus under the Scheme.

then decide on the course of action.

Type of Security

**Particulars** 

ICICI Prudential Infrastructure Fund

• ICICI Prudential Technology Fund

ICICI Prudential FMCG Fund

The scheme will invest based on the investment objective and asset allocation pattern of ICICI Prudential Advisor Series Thematic Fund. The fund manager based on their outlook will decide on the weightage of each scheme

#### Sectoral/Thematic Equity Oriented Schemes: Indicative list of the underlying schemes of ICICI Prudential

- ICICI Prudential Infrastructure Fund Mutual Fund, that may be considered for investments by ICICI Prudential Advisor Series-Very Aggressive Plan are as follows.
  - ICICI Prudential Technology Fund ICICI Prudential FMCG Fund
- But the same is not exhaustive and it may change due to new schemes being introduced or existing schemes being ICICI Prudential Dividend Yield Equity Fund modified. However it will be ensured that such additional
  - ICICI Prudential Exports & Services Fund ICICI Prudential Banking & Financial Services Fund
- criteria and asset allocation pattern of any of the Plans of ICICI Prudential Focused Equity Fund

  - ICICI Prudential Smallcap Fund ICICI Prudential Nifty ETF
  - ICICI Prudential Nifty Next 50 Index Fund
  - **Debt oriented Schemes**
  - ICICI Prudential Money Market Fund
  - ICICI Prudential Floating Interest Fund
  - ICICI Prudential Short Term Fund

# • ICICI Prudential Dynamic Plan

- ICICI Prudential Nifty Index Fund
- ICICI Prudential Infrastructure Fund
- ICICI Prudential Value Discovery Fund
- · ICICI Prudential Midcap Fund
- ICICI Prudential Focused Bluechip Equity Fund
- ICICI Prudential Nifty iWIN ETF

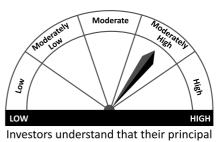
**Benchmark** Nifty 50 (75%) + Crisil Composite Bond Fund Index (5%) + Nifty 50 Index. Crisil Liquid Fund Index (5%) + Gold (15%)

## Product labeling and Riskometer

Strategies

This product is suitable for investors who are seeking\*: Long term wealth creation solution

A Fund of Funds scheme that seeks to generate long term capital appreciation from a portfolio that is invested predominantly in the schemes of domestic or offshore Mutual Funds that actively invests in Equity and equity related securities, gold exchange traded funds and in debt & money market instruments

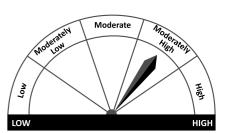


will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

This product is suitable for investors who are seeking\*: Long term wealth creation

A Fund of Funds scheme that seeks to generate long term capital appreciation from a portfolio that is invested sectoral/thematic equity oriented schemes and debt



Investors understand that their principal will be at moderately high risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

- A. Risks associated with Investing in Derivatives:
- The Schemes may use various derivative products as permitted by the Regulations. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Other risks include the risk of mis-pricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- 2. The Fund may use derivatives instruments like Stock Index Futures, Interest Rate Swaps, Forward Rate Agreements or other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the Regulations and guidelines. Usage of derivatives will expose the Schemes to certain risks inherent to such derivatives.
  - Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.



Corporate Identity Number: U99999DL1993PLC054135

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 001. Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051. Tel: +91 22 2652 5000, Fax: +91 22 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com

Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (E), Mumbai - 400063. Tel: 022 2685 2000 Fax: 022 26868313

## NOTICE-CUM-ADDENDUM

- 4. Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Also, the market for derivative instruments is nascent in India
- 5. The risks associated with the use of derivatives are different from or possibly greater than the risks associated with investing directly in securities and other traditional investments
- 6. The specific risk factors arising out of a derivative strategy used by the Fund Manager may be as below
  - Lack of opportunity available in the market.
  - The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and
  - Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place
  - Basis Risk: This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying asset being hedged
  - Exchanges could raise the initial margin, variation margin or other forms of margin on derivative contracts, impose one sided margins or insist that margins be placed in cash. All of these might force positions to be unwound at a loss, and might materially impact returns.

## B. Risk Factors associated with investing in Securitized Debt:

A securitization transaction involves sale of receivables by the originator (a bank, non-banking finance company, housing finance company, microfinance companies or a manufacturing/service company) to a Special Purpose Vehicle (SPV), typically set up in the form of a trust. Investors are issued rated Pass Through Certificates (PTCs), the proceeds of which are paid as consideration to the originator. In this manner, the originator, by selling his loan receivables to an SPV, receives consideration from investors much before the maturity of the underlying loans. Investors are paid from the collections of the underlying loans from borrowers. Typically, the transaction is provided with a limited amount of credit enhancement (as stipulated by the rating agency for a target rating), which provides protection to investors against defaults by the underlying borrowers. Generally available asset classes for securitization in India are:

- Commercial vehicles
- Auto and two wheeler pools
- Mortgage pools (residential housing loans)
- Personal loan, credit card and other retail loans
- Corporate loans/receivables
- Microfinance receivables

In pursuance to SEBI communication dated: August 25, 2010, given below are the requisite details relating to investments in Securitized debt

Risk profile of securitized debt vis-à-vis risk appetite of the scheme:

Investment in these instruments will help the fund in aiming at reasonable returns. These returns come with a certain degree of risks which are covered separately in the Scheme Information Document. Accordingly, the medium risk profile of the securitised debt instruments matches that of the prospective investors of these funds.

- Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc
- · Risk mitigation strategies for investments with each kind of originator

For a complete understanding of the policy relating to selection of originators, we have first analysed below risks attached to a securitization

In terms of specific risks attached to securitization, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher, which helps in making their overall risks comparable to other AAA/AA rated asset classes.

The Scheme may invest in securitized debt assets. These assets would be in the nature of Asset Backed securities (ABS) and Mortgage Backed securities (MBS) with underlying pool of assets and receivables like housing loans, auto loans and single corporate loan originators. The Scheme intends to invest in securitized instruments rated AAA/AA by a SEBI recognized credit rating agency.

Before entering into any securitization transaction, the risk is assessed based on the information generated from the following sources:

- 1) Rating provided by the rating agency
- 2) Assessment by the AMC

## 1) Assessment by a Rating Agency

In its endeavor to assess the fundamental uncertainties in any securitization transaction, a credit rating agency normally takes into consideration following factors

Credit risk forms a vital element in the analysis of securitization transaction. Adequate credit enhancements to cover defaults, even under stress scenarios, mitigate this risk. This is done by evaluating following risks

- Asset risk
- Originator risk
- Portfolio risk Pool risks

The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of installments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio the pool is analyzed with regard to geographical location, borrower profile, LTV, and tenure.

There are several counterparties in a securitization transaction, and their performance is crucial. Unlike in the case of credit risks, where the risks emanate from a diversified pool of retail assets, counterparty risks result in either performance or non-performance. The rating agencies generally mitigate such risks through the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure. The risks assessed under this category include:

- Servicer risk
- Commingling risk
- · Miscellaneous other counterparty risks Legal Risks:

The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised and relevant protection and safeguards are built into the transaction

Market risks represent risks not directly related to the transaction, but other market related factors, stated below, which could have an impact on transaction performance, or the value of the investments to the investors.

- Prepayment risks
- Interest rate risks

## Other Risks associated with investment in securitized debt and mitigation measures

## Limited Liquidity and Price Risk:

There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the investor to resell

Risk Mitigation: Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity The liquidity risk and HTM nature is taken into consideration at the time of analyzing the appropriateness of the securitization.

## Limited Recourse, Delinquency and Credit Risk:

The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Asset. However many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realise the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

Risk Mitigation: In addition to careful scrutiny of credit profile of borrower/pool additional security in the form of adequate cash collaterals and other securities may be obtained to ensure that they all qualify for similar rating

## Risks due to possible prepayments: Weighted Tenor/Yield

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments Full prepayment of underlying loan contract may arise under any of the following circumstances;

- Obligor pays the Receivable due from him at any time prior to the scheduled maturity date of that Receivable; or
- Receivable is required to be repurchased by the Seller consequent to its inability to rectify a material misrepresentation with respect to
- . The Servicer recognizing a contract as a defaulted contract and hence repossessing the underlying Asset and selling the same
- In the event of prepayments, investors may be exposed to changes in tenor and yield.

Risk Mitigation: A certain amount of prepayments is assumed in the calculations at the time of purchase based on historical trends and estimates. Further a stress case estimate is calculated and additional margins are built in.

## Bankruptcy of the Originator or Seller:

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale then an Investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a "True Sale". Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the Investors, as envisaged herein, would

Risk Mitigation: Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale to the trust not being construed as a 'true sale'. It is also in the interest of the originator to demonstrate the transaction as a true sell to get the necessary revenue recognition and tax benefits.

If Investor's agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of Investor's Agent to the assets/receivables is not in its capacity as agent/Trustee but in its personal capacity, then an Investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent. Legal opinion is normally obtained to the effect that the Investors Agent's recourse to assets/receivables is restricted in its capacity as agent and trustee and not in its personal capacity.

Risk Mitigation: All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent.

## Credit Rating of the Transaction/Certificate:

The credit rating is not a recommendation to purchase, hold or sell the Certificate in as much as the ratings do not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency

## Risk of Co-mingling:

With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to

#### (2) Assessment by the AMC

#### Mapping of structures based on underlying assets and perceived risk profile

The scheme will invest in securitized debt originated by Banks, NBFCs and other issuers of investment grade credit quality and established track record. The AMC will evaluate following factors, while investing in securitized debts

Acceptance Evaluation Parameters (For Pool Loan and Single Loan Securitization Transactions)

The AMC ensures that there is adequate past track record of the Originator before selection of the pool including a detailed look at the number of issuances in past, track record of issuances, experience of issuance team, etc.

As the securitized structure has underlying collateral structure, depending on the asset class, historical NPA trend and other pool/loan characteristics, a credit enhancement in the form of cash collateral, such as fixed deposit, bank, guarantee etc. is obtained, as a risk mitigation measure

#### Ability to pay:

This assessment is based on a strategic framework for credit analysis, which entails a detailed financial risk assessment.

Management analysis is used for identifying company specific financial risks. One of the most important factors for assessment is the quality of management based on its past track record and feedback from market participants. In order to assess financial risk a broad assessment of the issuer's financial statements is undertaken to review its ability to undergo stress on cash flows and asset quality. Business risk assessment, wherein following factors are considered:

- · Outlook for the economy (domestic and global)
- · Outlook for the industry
- Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the company as well as agency

## Critical Evaluation Parameters (For Pool Loan and Single Loan Securitization Transactions) Typically the AMC would avoid investing in securitization transaction (without specific risk mitigant strategies/additional cash/security

collaterals/guarantees) if there are concerns on the following issues regarding the originator/underlying issuer

- High default track record/frequent alteration of redemption conditions/covenants
- · High leverage ratios both on a standalone basis as well on a consolidated level/group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- · Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be

## Advantages of Investments in Single Loan Securitized Debt

- Wider Coverage: A Single Loan Securitized Debt market offers a more diverse range of issues/exposures as the Banks/NBFCs lend to larger base of borrowers.
- Credit Assessment: Better credit assessment of the underlying exposure as the Banks/NBFCs ideally co-invest in the same structure or take some other exposure on the same borrower in some other form Better Structuring: Single Loan Securitized Debt investments facilitates better structuring than investments in plain vanilla debt instruments
- as it is governed by Securitization guidelines issued by RBI Better Legal documentation: Single Loan Securitized Debt structures involve better legal documentation than Non-Convertible Debenture
- End use of funds: Securitized debt has better standards of disclosures as well as limitation on end use of funds as compared to NCD
- Yield enhancer: Single Loan Securitized Debt investments give higher returns as compared to NCD investments in same corporate
- Regulator supervision: Macro level supervision from RBI in Securitization Investments as compared to NCD investments

## Tighter covenants: Single Loan Securitized Debt structures involve tighter financial covenants than NCD investments Disadvantages of Investments in Single Loan Securitized Debt

investments wherein the end use is general corporate purpose.

- Liquidity risk: Investments in Single Loan Securitized Debts have relatively less liquidity as compared to investments in NCDs
- Co-mingling risk: Servicers in a securitization transaction normally deposit all payments received from the obligors into a collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account. In this interim period, collections from the loan agreements by the servicer may not be segregated from other funds of the servicer. If the servicer fails to remit such funds due to investors, investors in the Scheme may be exposed to a potential loss

Table below illustrates the framework that will be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools	Personal Loans
Approximate Average maturity (in Months)	36-120 months	12- 60 months	12-60 months	15-48 months	15-80 weeks	5 months - 3 years
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	3%-10%	4%-12%	4%-13%	4%-15%	5%-15%	5%-15%
Average Loan to Value Ratio	75%-95%	80%-98%	75%-95%	70%-95%	Unsecured	Unsecured
Average seasoning of the Pool	3-5 months	3-6 months	3-6 months	3-5 months	2-7 weeks	1-5 months
Maximum single exposure range	4%-5%	3-4%	NA (Retail Pool)	NA (Retail Pool)	NA (Very Small Retail loan)	NA (Retail Pool)
Average single exposure range %	0.5%-3%	0.5%-3%	<1% of the	<1% of the	<1% of the	<1% of the

## Notes:

- Retail pools are the loan pools relating to Car, 2 wheeler, micro finance and personal loans, wherein the average loan size is relatively small
- and spread over large number of borrowers. 2. Information illustrated in the Tables above, is based on the current scenario relating to Securitized Debt market and is subject to change depending upon the change in the related factors.
- 3. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments
- Majority of our securitized debt investments shall be in asset backed pools wherein we'll have underlying assets as Medium and Heavy Commercial Vehicles, Light Commercial Vehicles (LCV), Cars, and Construction Equipment etc. Where we invest in Single Loan Securitization, as the credit is on the underlying issuer, we focus on the credit review of the borrower. A credit analyst sets up limit for various issuers based on independent research taking into account their historical track record, prevailing rating and current financials.

In addition to the framework as per the table above, we also take into account following factors, which are analyzed to ensure diversification of risk and measures identified for less diversified investments:

# Size of the Loan:

We generally analyze the size of each loan on a sample basis and analyze a static pool of the originator to ensure the same matches the Static pool characteristics. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say ₹ 1,00,00,000/- it may be easier to construct a pool with just 10 housing loans of ₹ 10,00,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed ₹ 5,00,000/- per individual. Also to amplify this illustration further, if one were to construct a pool of ₹ 1,00,00,000/- consisting of personal loans of ₹ 1,00,000/- each, the larger number of contracts (100 as against one of 10 housing loans of ₹ 10 lakh each) automatically diversifies the risk profile of the pool as compared to a

## Average Original Maturity of the Pool:

Indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60-month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments

## Default Rate Distribution:

We generally ensure that all the contracts in the pools are current to ensure zero default rate distribution. Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here being, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

## Geographical Distribution: Regional/state/branch distribution is preferred to avoid concentration of assets in a particular region/state/branch.

Loan to Value Ratio:

Indicates how much % value of the asset is financed by borrower's own equity. The lower LTV, the better it is. This Ratio stems from the principle that where the borrowers own contribution of the asset cost is high, the chances of default are lower. To illustrate for a Truck costing ₹ 20 lakhs, if the borrower has himself contributed ₹ 10 lakh and has taken only ₹ 10 lakh as a loan, he is going to have lesser propensity to default as he would lose an asset worth ₹ 20 lakhs if he defaults in repaying an installment. This is as against a borrower who may meet only ₹ 2 lakh out of his own equity for a truck costing ₹ 20 lakh. Between the two scenarios given above, the latter would have higher risk of default than the former.

## Average seasoning of the pool:

Indicates whether borrowers have already displayed repayment discipline. To illustrate, in the case of a personal loan, if a pool of assets consist of those who have already repaid 80% of the installments without default, this certainly is a superior asset pool than one where only 10% of installments have been paid. In the former case, the portfolio has already demonstrated that the repayment discipline is far higher.

## Risk Tranching:

Typically, we would avoid investing in mezzanine debt or equity of Securitized debt in the form of sub ordinate tranche, without specific risk mitigant strategies/additional cash/security collaterals/guarantees, etc.

The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund

Investments made by the scheme in any asset are done based on the requirements of the scheme and is in accordance with the investment policy. All Investments are made entirely at an arm's length basis with no consideration of any existing/consequent investments by any party related to the transaction (originator, issuer, borrower etc.). Investments made in Securitized debt are made as per the Investment pattern of the Scheme and are done after detailed analysis of the underlying asset. There might be instances of Originator investing in the same scheme but both the transactions are at arm's length and avoid any conflict of interest. In addition to internal controls in the fixed income investment process, there is regular monitoring by the compliance team, risk management group, and internal review teams. Normally the issuer who is securitizing instrument is in need of money and is unlikely to have long term surplus to invest in mutual fund scheme



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## **NOTICE-CUM-ADDENDUM**

 In general, the resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The risk assessment process for securitized debt, as detailed in the preceding paragraphs, is same as any other credit. The investments in securitized debt are done after appropriate research by credit analyst. The ratings are monitored for any movement. Monthly Pool Performance MIS is received from the trustee and is analyzed for any variation. The entire securitized portfolio is published in the fact sheet and disclosed in the website with details of underlying exposure and originator.

Note: The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

## C Risk Factors Associated with Investments in REITs and InvITS:

#### Market Risk

REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. Investors may note that AMC/Fund Manager's investment decisions may not always be profitable, as actual market movements may be at variance with the anticipated trends. The NAV of the Scheme is vulnerable to movements in the prices of securities invested by the scheme, due to various market related factors like changes in the general market conditions, factors and forces affecting capital market, level of interest rates, trading volumes, settlement periods and transfer procedures. The scheme will undertake active portfolio management as per the investment objective to reduce the marker risk

## Liquidity Risk: As the liquidity of

Reinvestment Risk:

As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk. The fund will try to maintain a proper asset-liability match to ensure redemption payments are made on time and not affected by illiquidity of the underlying units.

Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or

dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns. However, the reinvestment risk will be

limited as the proceeds are expected to be a small portion of the portfolio value.

The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital. Investment results may vary substantially on a monthly, quarterly or annual basis.

## Investment restrictions for Investments in REITs and InvITS:

A mutual fund may invest in the units of REITs and InvITs subject to the following:

- a) No Mutual Fund under all its schemes shall own more than 10% of units issued by a single issuer or REIT and InvIT; and
- b) A mutual fund Scheme shall not invest:
  - i. more than 10% of its NAV in the units of REIT and InvIT; and
  - ii. more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer.

Provided that the limits mentioned in sub-clauses (i) and (ii) above shall not be applicable for investments in case of Index Fund or sector or industry specific scheme pertaining to REIT and InvIT.

Investors may please refer SIDs of the relevant schemes for existing risk factors

## Provisions related to Change in Fundamental Attributes.

In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 the existing unitholders (i.e. whose names appear in the register of unitholders as on close of business hours on April 18, 2018) under the schemes are hereby given an option to exit, i.e. either redeem their investments or switch their investments to any other schemes of ICICI Prudential Mutual Fund, within 31 days (at least 30 days) exit period starting from April 25, 2018 till May 25, 2018 (both days inclusive and upto 3.00 pm on May 25, 2018) at Applicable NAV, without payment of any exit load. The Exit Option can be exercised during the Exit Option Period by submitting a valid redemption/switch request at any Official Point of Acceptance of the Fund. For list of Official Points of Acceptance, please visit our website. A separate written communication is being sent to the existing Unit holders in this regard. In case any existing Unit holder has not received an Exit Option Letter, they are advised to contact any of our Investor Service Centres. Unitholders who do not exercise the exit option by 3.00 pm on May 25, 2018 would be deemed to have consented to the proposed modification. It may also be noted that no action is required in case Unitholders are in agreement with the aforesaid changes, which shall be deemed as consent being given by them for the proposed changes. Kindly note that an offer to exit is merely optional and is not compulsory.

All the valid applications for redemptions/switch received under the schemes shall be processed at Applicable NAV of the day of receipt of such redemption/switch request, without payment of any exit load, provided the same is received during the exit period mentioned above. Unitholders who have pledged or encumbered their units will not have the option to exit unless they procure a release of their pledges/encumbrances prior to the submission of redemption/switch requests. Unitholders should ensure that their change in address or bank details are updated in records of ICICI Prudential Mutual Fund as required by them, prior to exercising the exit option for redemption of units. Unit holders holding Units in dematerialized form may approach their Depository Participant for such changes. In case units have been frozen/locked pursuant to an order of a government authority or a court, such exit option can be executed only after the freeze/lock order is vacated/revoked within the period specified above. The redemption proceeds shall be dispatched within 10 (ten) business days of receipt of valid redemption request to those unitholders who choose to exercise their exit option. Redemption/switch of units from the schemes, during the exit period, may entail capital gain/loss in the hands of the unitholder. Similarly, in case of NRI investors, TDS shall be deducted in accordance with the applicable Tax laws, unon exercise of exit option and the same would be required to be borne by such investor only. In view of individual nature of tax implications, unitholders are advised to consult their tax advisors.

The updated SID & KIM of the schemes containing the revised provisions shall be made available with our Investor Service Centres and also displayed on the website immediately after completion of duration of exit option.

We hope that you will provide us your support; in case of any queries you can reach our call centre on 18002006666/1800222999. We assure you that these changes are in line with our best endeavors to serve you better.

All other features and terms and conditions of the schemes shall remain unchanged.

This Notice-cum-Addendum forms an integral part of the SID/KIM issued for the Scheme, read with the addenda issued from time to time.

For ICICI Prudential Asset Management Company Limited

 Place : Mumbai
 Sd/ 

 Date : April 17, 2018
 Authorised Signatory

 No. 017/04/2018
 Authorised Signatory

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Ad size: 32.9 x 18 cms